

**PROOF**

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**STATE OF IOWA**

**House Journal**

**TUESDAY, APRIL 20, 2004**

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(The official bound copy will be available after a reasonable time upon adjournment.)

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# JOURNAL OF THE HOUSE

One Hundredth Calendar Day – Sixty-eighth Session Day

Hall of the House of Representatives  
Des Moines, Iowa, Tuesday, April 20<sup>th</sup>, 2004

The House met pursuant to adjournment at 9:47 a.m., Speaker Rants in the chair.

Prayer was offered by Reverend Ron Stein, pastor of the First Baptist Church, Mason City. He was the guest of Representative Bill Schickel from Cerro Gordo County.

## PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Speaker Rants.

The Journal of Monday, April 19, 2004 was approved.

## SPECIAL PRESENTATION TO HOUSE PAGES

Speaker Rants invited the House Pages to the Speaker's station for a special presentation and thanked them for their service to the House of Representatives.

Certificates of excellence for serving with honor and distinction as a House Page during the Second Regular Session of the Eightieth General Assembly were presented to the following Pages by Speaker Christopher Rants, Majority Leader Chuck Gipp and Minority Leader Pat Murphy:

Kirk Bates  
Johanna Bergan  
Valerie Biddick  
Chris Bowman  
Katie Bunkofske  
Stephanie Dillon  
D. J. Halferty  
Jason Heki  
Kimberly Hope  
Brandon Johnsen  
Jared Meitzner

Megan Miller  
Laurianne Miller  
Jim Morrison  
Robert Paulsen  
Jim Sullivan  
Jennifer Townsend  
Katie Van Zee  
Spencer Willems  
Kevin Wilmarth  
Curtis Wright

### PRESENTATION TO RETIRING MEMBERS AND LEADERS

Speaker Rants and Majority Leader Gipp invited to the well of the House, for special recognition, members of the House who will be retiring or are a candidate for the Iowa Senate. Plaques were presented to the following:

Daniel J. Boddicker, District 79	1993 – 2004
Effie Lee Boggess, District 97	1995 – 2004
John H. Connors, District 68	1973 – 2004
Jane Greimann, District 45	1999 – 2004
James F. Hahn, District 80	1991 – 2004
Ralph F. Klemme, District 3	1993 – 2004
Robert J. Osterhaus, District 25	1997 – 2004

The House rose and expressed its appreciation.

House Speaker Christopher C. Rants, Majority Leader Chuck Gipp and Minority Leader Patrick Murphy were invited to the Speaker's station for a special presentation.

Speaker pro tempore Carroll and Jacobs of Polk, on behalf of the House, presented plaques to each leader in appreciation of his service and dedication to the Iowa House of Representatives during the Eightieth General Assembly.

The House rose and expressed its appreciation.

The House stood at ease at 10:54 a.m., until the fall of the gavel.

The House resumed session at 1:06 p.m., Speaker Rants in the chair.

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker: I am directed to inform your honorable body that the Senate has on April 20, 2004, passed the following bill in which the concurrence of the Senate was asked:

[House File 2455](#), a bill for an act establishing marriage and domestic relations requirements and providing an effective date.

Also: That the Senate has on April 20, 2004, concurred in the House amendment to the Senate amendment, and passed the following bill in which the concurrence of the Senate was asked:

[House File 2577](#), a bill for an act relating to and making appropriations from the healthy Iowans tobacco trust and the tobacco settlement trust fund and providing an effective date.

Also: That the Senate has on April 20, 2004, amended the House amendment, concurred in the House amendment as amended, and passed the following bill in which the concurrence of the House is asked:

[Senate File 2298](#), a bill for an act making, reducing, and transferring appropriations, providing for other properly related matters, and including effective and applicability date provisions.

Also: That the Senate has on April 20, 2004, amended and passed the following bill in which the concurrence of the House is asked:

[Senate File 2310](#), a bill for an act providing for the transfer and apportionment of district associate judges and to the qualifications of magistrates, providing for a study, and providing for a future repeal.

Also That the Senate has on April 20, 2004, adopted the following resolution in which the concurrence of the House is asked:

[Senate Concurrent Resolution 118](#), a senate concurrent resolution to provide for adjournment sine die.

MICHAEL E. MARSHALL, Secretary

The House stood at ease at 1:29 p.m., until the fall of the gavel.

The House resumed session at 2:58 p.m., Speaker Rants in the chair.

#### QUORUM CALL

A non-record roll call was requested to determine that a quorum was present. The vote revealed seventy-five members present, twenty-five absent.

#### RULES SUSPENDED

Jacobs of Polk asked and received unanimous consent to suspend the rules for the immediate consideration of [Senate File 2215](#).

**CONSIDERATION OF BILLS**  
**Ways and Means Calendar**

**Senate File 2215**, a bill for an act relating to the investment of moneys of the Iowa finance authority in funds within the office of the treasurer of state, with report of committee recommending passage, was taken up for consideration.

Sands of Louisa moved that the bill be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" (**S.F. 2215**)

The ayes were, 99:

Alons	Arnold	Bell	Berry
Boal	Boddicker	Boggess	Bukta
Carroll	Chambers	Cohoon	Connors
Dandekar	Davitt	De Boef	Dennis
Dix	Dolecheck	Drake	Eichhorn
Elgin	Fallon	Foege	Ford
Freeman	Frevert	Gaskill	Gipp
Granzow	Greimann	Greiner	Hahn
Hanson	Heaton	Heddens	Hoffman
Hogg	Horbach	Hunter	Huseman
Huser	Hutter	Jacobs	Jacoby
Jenkins	Jochum	Jones	Klemme
Kramer	Kuhn	Kurtenbach	Lalk
Lensing	Lukan	Lykam	Maddox
Manternach	Mascher	McCarthy	Mertz
Miller	Murphy	Oldson	Olson, D.
Olson, S.	Osterhaus	Paulsen	Petersen
Quirk	Raecker	Rasmussen	Rayhons
Reasoner	Roberts	Sands	Schickel
Shomshor	Shoultz	Smith	Stevens
Struyk	Swaim	Taylor, D.	Taylor, T.
Thomas	Tjepkes	Tymeson	Upmeyer
Van Engelenhoven	Van Fossen, J.K.	Van Fossen, J.R.	Watts
Wendt	Whitaker	Whitead	Wilderdyke
Winckler	Wise	Mr. Speaker	
		Rants	

The nays were, none.

Absent or not voting, 1:

Baudler

The bill having received a constitutional majority was declared to have passed the House and the title was agreed to.

#### SENATE AMENDMENT CONSIDERED

Dix of Butler called up for consideration [Senate File 2298](#), a bill for an act making, reducing, and transferring appropriations, providing for other properly related matters, and including effective and applicability date provisions, amended by the House, further amended by the Senate and moved that the House concur in the following Senate amendment [H-8643](#) to the House amendment as follows:

#### [H-8643](#)

- 1 Amend the House amendment, [S-5383](#), to Senate File
- 2 2298, as amended, passed, and reprinted by the Senate,
- 3 as follows:
- 4 1. Page 1, by inserting after line 4 the
- 5 following:
- 6 "\_\_\_\_. Page 2, by striking lines 9 through 20."
- 7 2. Page 1, by striking lines 5 through 26 and
- 8 inserting the following:
- 9 "\_\_\_\_. Page 2, line 30, by striking the figure
- 10 "1,950,000" and inserting the following: "1,889,610".
- 11 \_\_\_\_\_. Page 2, line 33, by striking the figure
- 12 "1,950,000" and inserting the following:
- 13 "1,889,610"."
- 14 3. Page 2, line 17, by striking the word
- 15 "PROPERTY" and inserting the following: "STATE".
- 16 4. Page 2, line 18, by striking the word
- 17 "property" and inserting the following: "state".
- 18 5. Page 2, by striking lines 22 through 45.
- 19 6. Page 3, by striking lines 8 through 10.
- 20 7. By striking page 3, line 25, through page 9,
- 21 line 3.
- 22 8. Page 12, by striking lines 22 through 25 and
- 23 inserting the following: "issued pursuant to this
- 24 section."
- 25 9. Page 13, by striking lines 38 through 40 and
- 26 inserting the following: "education agencies."
- 27 10. Page 28, by striking lines 8 through 24 and
- 28 inserting the following:
- 29 "2. ~~Six~~ Eight commissioners shall be honorably
- 30 discharged members of the armed forces of the United
- 31 States. The American legion of Iowa, disabled
- 32 American veterans department of Iowa, veterans of
- 33 foreign wars department of Iowa, American veterans of
- 34 World War II, Korea, and Vietnam, the Vietnam veterans

35 of America, and the military order of the purple  
 36 heart, through their department commanders, shall  
 37 submit two names respectively from their organizations  
 38 to the governor. The adjutant general and the Iowa  
 39 affiliate of the reserve officers association shall  
 40 submit names to the governor of persons to represent  
 41 the Iowa national guard and the association. The  
 42 governor shall appoint from the group of names  
 43 submitted by the adjutant general and reserve officers  
 44 association two representatives and from each of the  
 45 other organizations one representative to serve as a  
 46 member of the commission, unless the appointments  
 47 would conflict with the bipartisan and gender balance  
 48 provisions of sections 69.16 and 69.16A. In addition,  
 49 the governor shall appoint one member of the public,  
 50 knowledgeable in the general field of veterans

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1 affairs, to serve on the commission.""

2 11. Page 28, line 30, by inserting after the word  
 3 "be" the following: "a resident of the state of Iowa  
 4 who served in the armed forces of the United States  
 5 and was honorably discharged, and is".

6 12. Page 30, lines 13 and 14, by striking the  
 7 words "~~the year preceding~~" and inserting the  
 8 following: "the year preceding".

9 13. Page 42, line 8, by striking the figure "21."  
 10 and inserting the following: "21 and inserting the  
 11 following:

12 "DIVISION

13 REBUILD IOWA INFRASTRUCTURE FUND

14 Sec. \_\_\_\_\_. There is appropriated from the rebuild  
 15 Iowa infrastructure fund to the following departments  
 16 and agencies for the designated fiscal years, the  
 17 following amounts, or so much thereof as is necessary,  
 18 to be used for the purposes designated:

19 1. DEPARTMENT OF ADMINISTRATIVE SERVICES

20 a. For routine maintenance of state buildings and  
 21 facilities, notwithstanding section 8.57, subsection  
 22 5, paragraph "c":

23 FY 2004-2005 ..... \$ 2,000,000

24 b. For relocation costs directly associated with  
 25 remodeling projects on the capitol complex and for  
 26 facility lease payments for the department of  
 27 corrections, the Iowa department of public health, and  
 28 the department of public safety, notwithstanding  
 29 section 8.57, subsection 5, paragraph "c":  
 30 FY 2004-2005 ..... \$ 2,271,617

31 c. For technology improvement projects,  
 32 notwithstanding section 8.57, subsection 5, paragraph  
 33 "c":

34 FY 2004-2005 ..... \$ 1,861,496  
 35 Of the amount appropriated in this lettered  
 36 paragraph, \$288,496 is allocated to maintain and  
 37 operate the enterprise warehouse technology project  
 38 and \$73,000 is allocated to the division of criminal  
 39 and juvenile justice planning of the department of  
 40 human rights for 1.00 full-time equivalent position to  
 41 provide support for the justice data warehouse  
 42 technology project.  
 43 d. For major renovation and major repair needs,  
 44 including health, life, and fire safety needs, and for  
 45 compliance with the federal Americans With  
 46 Disabilities Act, for state buildings and facilities  
 47 under the purview of the department:  
 48 FY 2004-2005 ..... \$ 4,300,000  
 49 (1) Of the amount appropriated in this lettered  
 50 paragraph, up to \$375,000 may be used for costs

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1 associated with project management services in the  
 2 division of design and construction within the general  
 3 services enterprise of the department, notwithstanding  
 4 section 8.57, subsection 5, paragraph "c".  
 5 (2) Of the amount appropriated in this lettered  
 6 paragraph, \$200,000 may be used for costs associated  
 7 with the vertical infrastructure program,  
 8 notwithstanding section 8.57, subsection 5, paragraph  
 9 "c".  
 10 e. For costs associated with the remodeling of the  
 11 records and property center:  
 12 FY 2004-2005 ..... \$ 5,000,000  
 13 FY 2005-2006 ..... \$ 4,700,000  
 14 f. For accent lighting systems for the soldiers  
 15 and sailors monument and the Allison monument on the  
 16 capitol complex:  
 17 FY 2004-2005 ..... \$ 35,000  
 18 g. For capitol interior restoration:  
 19 FY 2004-2005 ..... \$ 1,770,000  
 20 h. For costs associated with the purchase of  
 21 laboratory equipment for and the maintenance and  
 22 operation of the state laboratories facility located  
 23 in Ankeny, notwithstanding section 8.57, subsection 5,  
 24 paragraph "c":  
 25 FY 2004-2005 ..... \$ 355,500  
 26 2. DEPARTMENT FOR THE BLIND  
 27 For the remodeling of the orientation center:  
 28 FY 2004-2005 ..... \$ 67,000  
 29 3. STATE BOARD OF REGENTS  
 30 For maintenance at the Iowa school for the deaf and  
 31 the Iowa braille and sight saving school:  
 32 FY 2004-2005 ..... \$ 500,000

33 4. DEPARTMENT OF CORRECTIONS  
 34 a. For costs of entering into a lease-purchase  
 35 agreement to connect the electrical system supporting  
 36 the special needs unit at Fort Madison:  
 37 FY 2004-2005 ..... \$ 333,168  
 38 b. For construction of a community-based  
 39 correctional facility, including district offices, in  
 40 Davenport:  
 41 FY 2004-2005 ..... \$ 3,000,000  
 42 FY 2005-2006 ..... \$ 3,750,000  
 43 FY 2006-2007 ..... \$ 3,750,000  
 44 It is the intent of the general assembly that the  
 45 department of management allocate the entire  
 46 appropriation for the fiscal year beginning July 1,  
 47 2006, to the department of corrections by July 31,  
 48 2006.  
 49 5. DEPARTMENT OF CULTURAL AFFAIRS  
 50 a. For historical site preservation grants, to be

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1 used for the restoration, preservation, and  
 2 development of historical sites:  
 3 FY 2004-2005 ..... \$ 500,000  
 4 Historical site preservation grants shall only be  
 5 awarded for projects which meet the definition of  
 6 "vertical infrastructure" in section 8.57, subsection  
 7 5, paragraph "c".  
 8 In making grants pursuant to this lettered  
 9 paragraph, the department shall consider the existence  
 10 and amount of other funds available to an applicant  
 11 for the designated project. A grant awarded from  
 12 moneys appropriated in this lettered paragraph shall  
 13 not exceed \$100,000 per project. Not more than two  
 14 grants may be awarded in the same county.  
 15 b. For continuation of the project recommended by  
 16 the Iowa battle flag advisory committee to stabilize  
 17 the condition of the battle flag collection,  
 18 notwithstanding section 8.57, subsection 5, paragraph  
 19 "c":  
 20 FY 2004-2005 ..... \$ 100,000  
 21 6. DEPARTMENT OF ECONOMIC DEVELOPMENT  
 22 a. For accelerated career education program  
 23 capital projects at community colleges that are  
 24 authorized under chapter 260G and that meet the  
 25 definition of "vertical infrastructure" in section  
 26 8.57, subsection 5, paragraph "c":  
 27 FY 2004-2005 ..... \$ 5,500,000  
 28 The moneys appropriated in this paragraph shall be  
 29 allocated equally among the community colleges in the  
 30 state. If any portion of the equal allocation to a  
 31 community college is not obligated or encumbered by

32 April 1, 2005, the unobligated and unencumbered  
 33 portions shall be available for use by other community  
 34 colleges.  
 35 b. For sole source grant costs associated with the  
 36 hosting of the national special Olympics in Iowa by a  
 37 special Olympics nonprofit entity, notwithstanding  
 38 section 8.57, subsection 5, paragraph "c":  
 39 FY 2004-2005 ..... \$ 500,000  
 40 c. To provide a grant for the planning, design,  
 41 and construction of a not-for-profit family  
 42 recreational facility that will also include a cardiac  
 43 rehabilitation center and a family indoor aquatic  
 44 center and which will be located in a county with a  
 45 population between 150,000 and 185,000:  
 46 FY 2004-2005 ..... \$ 200,000  
 47 d. To be used for the Iowa Lewis and Clark  
 48 bicentennial commission established pursuant to  
 49 section 15.221, notwithstanding section 8.57,  
 50 subsection 5, paragraph "c":

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1 FY 2004-2005 ..... \$ 50,000  
 2 7. DEPARTMENT OF EDUCATION  
 3 a. To provide resources for structural and  
 4 technological improvements to local libraries and for  
 5 the enrich Iowa program, notwithstanding section 8.57,  
 6 subsection 5, paragraph "c":  
 7 FY 2004-2005 ..... \$ 600,000  
 8 Funds allocated for purposes of the enrich Iowa  
 9 program as provided in this lettered paragraph shall  
 10 be distributed by the division of libraries and  
 11 information services to provide support for Iowa's  
 12 libraries.  
 13 b. For maintenance and lease costs associated with  
 14 part III connections, notwithstanding section 8.57,  
 15 subsection 5, paragraph "c":  
 16 FY 2004-2005 ..... \$ 2,727,000  
 17 c. For costs associated with the remodeling of the  
 18 Jessie Parker building:  
 19 FY 2004-2005 ..... \$ 303,632  
 20 d. For allocation to the public broadcasting  
 21 division for costs of installation of digital and  
 22 analog television for Iowa public television  
 23 facilities, notwithstanding section 8.57, subsection  
 24 5, paragraph "c":  
 25 FY 2004-2005 ..... \$ 8,000,000  
 26 FY 2005-2006 ..... \$ 8,000,000  
 27 FY 2006-2007 ..... \$ 2,300,000  
 28 8. DEPARTMENT OF HUMAN SERVICES  
 29 To provide a grant for the planning, design, and  
 30 construction of a residential treatment facility for

31 youth with emotional and behavioral disorders located  
 32 in a central Iowa county with a population of  
 33 approximately 80,000:  
 34 FY 2004-2005 ..... \$ 250,000  
 35 9. IOWA STATE FAIR AUTHORITY  
 36 For vertical infrastructure projects on the state  
 37 fairgrounds:  
 38 FY 2004-2005 ..... \$ 250,000  
 39 For purposes of this subsection, "vertical  
 40 infrastructure" means the same as defined in section  
 41 8.57, subsection 5, paragraph "c".  
 42 10. NATIONAL PROGRAM FOR PLAYGROUND SAFETY AT THE  
 43 UNIVERSITY OF NORTHERN IOWA  
 44 For the Iowa safe surfacing initiative,  
 45 notwithstanding section 8.57, subsection 5, paragraph  
 46 "c":  
 47 ..... \$ 500,000  
 48 Not more than 2.5 percent of the funds appropriated  
 49 in this subsection shall be used by the national  
 50 program for playground safety for administrative costs

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1 associated with the Iowa safe surfacing initiative.  
 2 The crumb rubber playground tiles for the  
 3 initiative shall be international play equipment  
 4 manufacturers association (IPEMA)-certified to the  
 5 American society for testing and materials (ASTM)  
 6 F1292 standard.  
 7 11. DEPARTMENT OF NATURAL RESOURCES  
 8 For costs associated with the planning, design, and  
 9 construction of a premier destination state park,  
 10 notwithstanding section 8.57, subsection 5, paragraph  
 11 "c":  
 12 FY 2004-2005 ..... \$ 500,000  
 13 12. DEPARTMENT OF PUBLIC DEFENSE  
 14 a. For planning, design, and construction of a  
 15 national guard readiness center in or near Iowa City:  
 16 FY 2004-2005 ..... \$ 2,150,000  
 17 b. For maintenance and repair of national guard  
 18 armories and facilities:  
 19 FY 2004-2005 ..... \$ 1,269,636  
 20 c. For construction of a new national guard armory  
 21 at Boone:  
 22 FY 2004-2005 ..... \$ 1,096,000  
 23 13. DEPARTMENT OF PUBLIC SAFETY  
 24 a. For capitol building and judicial building  
 25 security, notwithstanding section 8.57, subsection 5,  
 26 paragraph "c":  
 27 FY 2004-2005 ..... \$ 800,000  
 28 b. For capitol complex security notwithstanding  
 29 section 8.57, subsection 5, paragraph "c":

30 FY 2004-2005..... \$ 300,000  
 31 c. For costs of entering into a lease-purchase  
 32 agreement to upgrade the automated fingerprint  
 33 identification system, notwithstanding section 8.57,  
 34 subsection 5, paragraph "c":  
 35 FY 2004-2005..... \$ 550,000  
 36 d. For costs associated with improvements to  
 37 Iowa's electronic criminal information records system  
 38 to comply with national crime information center  
 39 standards, notwithstanding section 8.57, subsection 5,  
 40 paragraph "c":  
 41 FY 2004-2005..... \$ 500,000  
 42 e. To the division of fire safety of the  
 43 department for allocation to the fire service training  
 44 bureau for the planning, design, and construction of  
 45 regional training facilities in the state:  
 46 FY 2004-2005..... \$ 150,000  
 47 f. To the division of fire safety of the  
 48 department for allocation to the fire service training  
 49 bureau to be used for the revolving loan program for  
 50 equipment purchases by local fire departments, not

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1 withstanding section 8.57, subsection 5, paragraph  
 2 "c":  
 3 FY 2004-2005..... \$ 500,000  
 4 14. STATE DEPARTMENT OF TRANSPORTATION  
 5 a. For operation and maintenance of the network of  
 6 automated weather observation and data transfer  
 7 systems associated with the Iowa aviation weather  
 8 system, the runway marking program for public  
 9 airports, the windsock program for public airports,  
 10 and the aviation improvement program, notwithstanding  
 11 section 8.57, subsection 5, paragraph "c":  
 12 FY 2004-2005..... \$ 500,000  
 13 b. For vertical infrastructure improvements at the  
 14 commercial air service airports within the state:  
 15 FY 2004-2005..... \$ 1,100,000  
 16 One-half of the funds appropriated in this lettered  
 17 paragraph shall be allocated equally between each  
 18 commercial service airport, 40 percent of the funds  
 19 shall be allocated based on the percentage that the  
 20 number of enplaned passengers at each commercial  
 21 service airport bears to the total number of enplaned  
 22 passengers in the state during the previous fiscal  
 23 year, and 10 percent of the funds shall be allocated  
 24 based on the percentage that the air cargo tonnage at  
 25 each commercial service airport bears to the total air  
 26 cargo tonnage in the state during the previous fiscal  
 27 year. In order for a commercial service airport to  
 28 receive funding under this lettered paragraph, the

29 airport shall be required to submit applications for  
 30 funding of specific projects to the department for  
 31 approval by the state transportation commission.  
 32 c. For a vertical infrastructure improvement grant  
 33 program for improvements at general aviation airports  
 34 within the state:  
 35 FY 2004-2005 ..... \$ 581,400  
 36 15. OFFICE OF TREASURER OF STATE  
 37 For county fair infrastructure improvements for  
 38 distribution in accordance with chapter 174 to  
 39 qualified fairs which belong to the association of  
 40 Iowa fairs:  
 41 FY 2004-2005 ..... \$ 1,060,000  
 42 16. COMMISSION OF VETERANS AFFAIRS  
 43 For deposit in the veterans trust fund established  
 44 in section 35A.13, notwithstanding section 8.57,  
 45 subsection 5, paragraph "c":  
 46 FY 2004-2005 ..... \$ 1,000,000  
 47 Of the amount appropriated in this subsection,  
 48 notwithstanding contrary provisions of section 35A.13,  
 49 \$500,000 is appropriated to and shall be used by the  
 50 commission of veterans affairs for the establishment

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1 and operation of a veterans cemetery as required by  
 2 section 35A.3, subsection 14, if enacted by this Act.  
 3 Notwithstanding section 8.33, moneys appropriated in  
 4 this unnumbered paragraph that remain unencumbered or  
 5 unobligated at the close of the fiscal year shall not  
 6 revert but shall remain available for expenditure for  
 7 the purposes designated until the close of the  
 8 succeeding fiscal year or when the project is  
 9 completed, whichever is later.  
 10 Sec.\_\_\_\_. PAYMENTS IN LIEU OF TUITION. There is  
 11 appropriated from the rebuild Iowa infrastructure fund  
 12 to the state board of regents for the fiscal year  
 13 beginning July 1, 2004, and ending June 30, 2005, the  
 14 following amount, or so much thereof as may be  
 15 necessary, to be used for the purpose designated:  
 16 For allocation by the state board of regents to the  
 17 state university of Iowa, the Iowa state university of  
 18 science and technology, and the university of northern  
 19 Iowa to reimburse the institutions for deficiencies in  
 20 their operating funds resulting from the pledging of  
 21 tuitions, student fees and charges, and institutional  
 22 income to finance the cost of providing academic and  
 23 administrative buildings and facilities and utility  
 24 services at the institutions, notwithstanding section  
 25 8.57, subsection 5, paragraph "c":  
 26 ..... \$ 858,764  
 27 Sec.\_\_\_\_. REVERSION. Notwithstanding section

28 8.33, moneys appropriated from the rebuild Iowa  
 29 infrastructure fund in this division of this Act shall  
 30 not revert at the close of the fiscal year for which  
 31 they were appropriated but shall remain available for  
 32 the purposes designated until the close of the fiscal  
 33 year that begins July 1, 2007, or until the project  
 34 for which the appropriation was made is completed,  
 35 whichever is earlier. This section does not apply to  
 36 the sections in this division of this Act that were  
 37 previously enacted and are amended in this division of  
 38 this Act.

39 Sec. \_\_\_\_\_. 2003 Iowa Acts, chapter 177, section 6,  
 40 subsection 2, is amended to read as follows:

41 2. For costs associated with the ~~planning for the~~  
 42 ~~vacation and demolition disposition~~ disposition of the Wallace  
 43 building:

44 ..... \$ 50,000

45 The amount appropriated in this subsection shall be  
 46 used to conduct a complete evaluation and analysis  
 47 regarding the condition of the Wallace building,  
 48 including structural, mechanical, and environmental  
 49 systems and building air quality, and to make a  
 50 recommendation to the general assembly no later than

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1 January 31, 2005, as to whether the Wallace building  
 2 should be renovated for future use or vacated and  
 3 demolished. The recommendation shall include cost  
 4 estimates for renovation of the building and for its  
 5 demolition.

6 Sec. \_\_\_\_\_. 2003 Iowa Acts, chapter 177, section 14,  
 7 is amended to read as follows:

8 SEC. 14. REVERSION. Notwithstanding section 8.33,  
 9 moneys appropriated in this division of this Act shall  
 10 not revert at the close of the fiscal year for which  
 11 they were appropriated but shall remain available for  
 12 the purposes designated until the close of the fiscal  
 13 year that begins July 1, ~~2006~~ 2007, or until the  
 14 project for which the appropriation was made is  
 15 completed, whichever is earlier.

16 Sec. \_\_\_\_\_. 2003 Iowa Acts, chapter 179, section  
 17 140, is amended to read as follows:

18 SEC. 140. Notwithstanding section 8.33,  
 19 unencumbered and unobligated funds remaining from the  
 20 appropriation made in 1996 Iowa Acts, chapter 1218,  
 21 section 13, subsection 2, paragraph "a", subparagraph  
 22 (2), as amended by 1997 Iowa Acts, chapter 215,  
 23 section 3, and from the appropriation made in 1997  
 24 Iowa Acts, chapter 215, section 4, subsection 1, shall  
 25 not revert but shall be available for the purposes  
 26 designated in those provisions until the close of the

27 fiscal year beginning July 1, ~~2003~~ 2004.  
 28 Of the amount of unencumbered and unobligated funds  
 29 identified in this section, \$180,000 shall be used for  
 30 the purposes described in 2003 Iowa Acts, chapter 177,  
 31 section 6, subsection 2, as amended by this 2004 Act.  
 32 Sec. \_\_\_\_\_. 2002 Iowa Acts, chapter 1173, section  
 33 18, as amended by 2003 Iowa Acts, chapter 179, section  
 34 39, is amended to read as follows:  
 35 SEC. 18. POOLED TECHNOLOGY FUNDING – PRIOR  
 36 ALLOCATIONS – NONREVERSION. Notwithstanding section  
 37 8.33, moneys appropriated and allocated in 2001 Iowa  
 38 Acts, chapter 189, section 5, subsection 1, which  
 39 remain unobligated or unexpended at the close of the  
 40 fiscal year for which they were appropriated shall not  
 41 revert, but shall remain available for expenditure for  
 42 the purposes for which they were appropriated and  
 43 allocated, for the fiscal period beginning July 1,  
 44 2002, and ending June 30, ~~2004~~ 2005. Notwithstanding  
 45 the expenditure limitation in this section, the  
 46 information technology enterprise within the  
 47 department of administrative services may expend  
 48 available moneys in the pooled technology account  
 49 established in the office of the treasurer of state to  
 50 complete the comprehensive study required under 2003

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1 Iowa Acts, chapter 145, section 290, subsection 2,  
 2 paragraph "c".  
 3 Sec. \_\_\_\_\_. 2000 Iowa Acts, chapter 1225, section 2,  
 4 as amended by 2001 Iowa Acts, chapter 185, section 2,  
 5 is amended to read as follows:  
 6 SEC. 2. There is appropriated from the rebuild  
 7 Iowa infrastructure fund to the department of  
 8 corrections for the fiscal year beginning July 1,  
 9 2000, and ending June 30, 2001, the following amounts,  
 10 or so much thereof as is necessary, to be used for the  
 11 purposes designated:  
 12 1. To supplement funds appropriated in 1998 Iowa  
 13 Acts, chapter 1219, section 2, subsection 3, for  
 14 construction of a 200-bed facility at the Iowa state  
 15 penitentiary at Fort Madison:  
 16 ..... \$ 3,000,000  
 17 2. For community-based corrections projects:  
 18 ..... \$ 900,000  
 19 The first \$300,000 of the amount appropriated in  
 20 this subsection shall be allocated for community-based  
 21 corrections projects in Council Bluffs. The next  
 22 \$600,000 of the amount appropriated in this subsection  
 23 shall be allocated for community-based corrections  
 24 projects in the judicial district in which the city of  
 25 Davenport is located. These moneys may be used by the

26 department to enter into lease-purchasing agreements  
 27 or the payment of rent for such projects.  
 28 Notwithstanding section 8.33 and section 20 of this  
 29 Act, moneys appropriated in subsection 2 that remain  
 30 unencumbered or unobligated at the close of the fiscal  
 31 year that begins July 1, 2003, shall revert at the  
 32 close of the fiscal year that begins July 1, 2006.  
 33 However, if the projects for which the moneys are  
 34 appropriated are completed in an earlier fiscal year,  
 35 unencumbered or unobligated moneys shall revert at the  
 36 close of that fiscal year.  
 37 Sec.\_\_\_\_. 2000 Iowa Acts, chapter 1225, section  
 38 19, unnumbered paragraph 2, is amended to read as  
 39 follows:  
 40 To supplement moneys appropriated in prior fiscal  
 41 years for construction of a new dining hall and food  
 42 services facility and renovation of the former Sheeler  
 43 food preparation area:  
 44 ..... \$ 992,000  
 45 Sec.\_\_\_\_. 2000 Iowa Acts, chapter 1225, section  
 46 20, is amended to read as follows:  
 47 SEC. 20. REVERSION. Notwithstanding section 8.33,  
 48 moneys appropriated in this division of this Act that  
 49 remain unencumbered or unobligated at the close of the  
 50 fiscal year that begins July 1, ~~2003~~ 2004, shall

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1 revert at the close of that fiscal year. However, if  
 2 the projects for which the moneys are appropriated are  
 3 completed in an earlier fiscal year, unencumbered or  
 4 unobligated moneys shall revert at the close of that  
 5 fiscal year.  
 6 Sec.\_\_\_\_. EXAMINATION OF DEPARTMENT OF  
 7 ADMINISTRATION – FY 2003-2004. Notwithstanding  
 8 section 11.5B, for the fiscal year beginning July 1,  
 9 2003, and ending June 30, 2004, the auditor of state  
 10 shall not be entitled to reimbursement for performing  
 11 any examination of the department of administrative  
 12 services or funds received by the department of  
 13 administrative services, except for an examination of  
 14 the information technology enterprise within the  
 15 department of administrative services and funds  
 16 received by the information technology enterprise.  
 17 Sec.\_\_\_\_. SECURE AN ADVANCED VISION FOR EDUCATION  
 18 FUND. Notwithstanding the maximum amount of the  
 19 appropriation from the rebuild Iowa infrastructure  
 20 fund to the secure an advanced vision for education  
 21 fund specified in section 8.57, subsection 5,  
 22 paragraph "f", the maximum amount of such  
 23 appropriation for the fiscal year beginning July 1,  
 24 2004, and ending June 30, 2005, shall not exceed

25 \$8,160,000.  
 26 Sec.\_\_\_\_. The following sections of this division  
 27 of this Act, being deemed of immediate importance,  
 28 take effect upon enactment:  
 29 1. The section amending 2003 Iowa Acts, chapter  
 30 177, section 6.  
 31 2. The section amending 2003 Iowa Acts, chapter  
 32 179, section 140.  
 33 3. The section amending 2002 Iowa Acts, chapter  
 34 1173, section 18, as amended by 2003 Iowa Acts,  
 35 chapter 179, section 39.  
 36 4. The section amending 2000 Iowa Acts, chapter  
 37 1225, section 2, as amended by 2001 Iowa Acts, chapter  
 38 185, section 2.  
 39 5. The section amending 2000 Iowa Acts, chapter  
 40 1225, section 19.  
 41 6. The section amending 2000 Iowa Acts, chapter  
 42 1225, section 20.  
 43 7. The section addressing the examination of the  
 44 department of administration in fiscal year 2003-2004.  
 45 DIVISION  
 46 ENVIRONMENT FIRST FUND  
 47 Sec.\_\_\_\_. There is appropriated from the  
 48 environment first fund to the following departments  
 49 and agencies for the fiscal year beginning July 1,  
 50 2004, and ending June 30, 2005, the following amounts,

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1 or so much thereof as is necessary, to be used for the  
 2 purposes designated:  
 3 1. DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP  
 4 a. For the conservation reserve enhancement  
 5 program to restore and construct wetlands for the  
 6 purposes of intercepting tile line runoff, reducing  
 7 nutrient loss, improving water quality, and enhancing  
 8 agricultural production practices:  
 9 ..... \$ 1,500,000  
 10 Not more than 5 percent of the moneys appropriated  
 11 in this lettered paragraph may be used for costs of  
 12 administration and implementation of soil and water  
 13 conservation practices.  
 14 b. For continuation of a program that provides  
 15 multiobjective resource protections for flood control,  
 16 water quality, erosion control, and natural resource  
 17 conservation:  
 18 ..... \$ 2,700,000  
 19 Not more than 5 percent of the moneys appropriated  
 20 in this lettered paragraph may be used for costs of  
 21 administration and implementation of soil and water  
 22 conservation practices.  
 23 c. For continuation of a statewide voluntary farm

24 management demonstration program to demonstrate the  
 25 effectiveness and adaptability of emerging practices  
 26 in agronomy that protect water resources and provide  
 27 other environmental benefits:  
 28 ..... \$ 850,000  
 29 Not more than 5 percent of the moneys appropriated  
 30 in this lettered paragraph may be used for costs of  
 31 administration and implementation of soil and water  
 32 conservation practices.  
 33 Of the amount appropriated in this lettered  
 34 paragraph, \$400,000 shall be allocated to the Iowa  
 35 soybean association's agriculture and environment  
 36 performance program.  
 37 d. For deposit in the alternative drainage system  
 38 assistance fund created in section 460.303 to be used  
 39 for purposes of supporting the alternative drainage  
 40 system assistance program as provided in section  
 41 460.304:  
 42 ..... \$ 500,000  
 43 Not more than 5 percent of the moneys appropriated  
 44 in this lettered paragraph may be used for costs of  
 45 administration and implementation of soil and water  
 46 conservation practices.  
 47 e. To provide financial assistance for the  
 48 establishment of permanent soil and water conservation  
 49 practices:  
 50 ..... \$ 5,500,000

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- 1 (1) Not more than 5 percent of the moneys  
 2 appropriated in this lettered paragraph may be  
 3 allocated for cost-sharing to abate complaints filed  
 4 under section 161A.47.
- 5 (2) Of the moneys appropriated in this lettered  
 6 paragraph, 5 percent shall be allocated for financial  
 7 incentives to establish practices to protect  
 8 watersheds above publicly owned lakes of the state  
 9 from soil erosion and sediment as provided in section  
 10 161A.73.
- 11 (3) Not more than 30 percent of a district's  
 12 allocation of moneys as financial incentives may be  
 13 provided for the purpose of establishing management  
 14 practices to control soil erosion on land that is row-  
 15 cropped, including but not limited to no-till  
 16 planting, ridge-till planting, contouring, and contour  
 17 strip-cropping as provided in section 161A.73.
- 18 (4) The state soil conservation committee created  
 19 in section 161A.4 may allocate moneys appropriated in  
 20 this lettered paragraph to conduct research and  
 21 demonstration projects to promote conservation tillage  
 22 and nonpoint source pollution control practices.

23 (5) The financial incentive payments may be used  
 24 in combination with department of natural resources  
 25 moneys.  
 26 (6) Not more than 10 percent of the moneys  
 27 appropriated in this lettered paragraph may be used  
 28 for costs of administration and implementation of soil  
 29 and water conservation practices.  
 30 f. To encourage and assist farmers in enrolling in  
 31 and the implementation of federal conservation  
 32 programs and work with them to enhance their  
 33 revegetation efforts to improve water quality and  
 34 habitat:  
 35 ..... \$ 2,000,000  
 36 Not more than 5 percent of the moneys appropriated  
 37 in this lettered paragraph may be used for costs of  
 38 administration and implementation of soil and water  
 39 conservation practices.  
 40 g. For deposit in the loess hills development and  
 41 conservation fund created in section 161D.2:  
 42 ..... \$ 600,000  
 43 Of the amount appropriated in this lettered  
 44 paragraph, \$400,000 shall be allocated to the hungry  
 45 canyons account and \$200,000 shall be allocated to the  
 46 loess hills alliance account, to be used for the  
 47 purposes for which the moneys in those accounts are  
 48 authorized to be used under chapter 161D. No more  
 49 than 5 percent of the moneys allocated to each account  
 50 in this lettered paragraph may be used for

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1 administrative costs.  
 2 h. For deposit in the southern Iowa development  
 3 and conservation fund created in section 161D.12:  
 4 ..... \$ 300,000  
 5 Not more than 5 percent of the moneys appropriated  
 6 in this lettered paragraph may be used for  
 7 administrative costs.  
 8 2. DEPARTMENT OF ECONOMIC DEVELOPMENT  
 9 For deposit in the brownfield redevelopment fund  
 10 created in section 15.293 to provide assistance under  
 11 the brownfield redevelopment program:  
 12 ..... \$ 500,000  
 13 3. DEPARTMENT OF NATURAL RESOURCES  
 14 a. To provide local watershed managers with  
 15 geographic information system data for their use in  
 16 developing, monitoring, and displaying results of  
 17 their watershed work:  
 18 ..... \$ 195,000  
 19 b. For statewide coordination of volunteer efforts  
 20 under the water quality and keepers of the land  
 21 programs:

22 ..... \$ 100,000  
 23 c. For continuing the establishment and operation  
 24 of water quality monitoring stations:  
 25 ..... \$ 2,955,000  
 26 d. For deposit in the administration account of  
 27 the water quality protection fund, to carry out the  
 28 purposes of that account:  
 29 ..... \$ 500,000  
 30 e. For air quality monitoring equipment:  
 31 ..... \$ 500,000  
 32 f. For the dredging of lakes, including necessary  
 33 preparation for dredging, in accordance with the  
 34 department's classification of Iowa lakes restoration  
 35 report:  
 36 ..... \$ 1,000,000  
 37 The department shall consider the following  
 38 criteria for funding lake dredging projects as  
 39 provided in this lettered paragraph, and shall  
 40 prioritize projects based on the following:  
 41 (1) Documented efforts to address watershed  
 42 protection, considering testing, conservation efforts,  
 43 and amount of time devoted to watershed protection.  
 44 (2) Protection of a natural resource and natural  
 45 habitat.  
 46 (3) Percentage of public access and undeveloped  
 47 lakefront property.  
 48 (4) Continuation of current projects partially  
 49 funded by state resources to achieve department  
 50 recommendations.

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1 g. For purposes of funding capital projects for  
 2 the purposes specified in section 452A.79, and for  
 3 expenditures for the local cost share grants to be  
 4 used for capital expenditures to local governmental  
 5 units for boating accessibility:  
 6 ..... \$ 2,300,000  
 7 h. For regular maintenance of state parks and  
 8 staff time associated with these activities:  
 9 ..... \$ 2,000,000  
 10 RESOURCES ENHANCEMENT AND PROTECTION FUND  
 11 Sec. \_\_\_\_\_. Notwithstanding the amount of the  
 12 standing appropriation from the general fund of the  
 13 state under section 455A.18, subsection 3, there is  
 14 appropriated from the environment first fund to the  
 15 Iowa resources enhancement and protection fund, in  
 16 lieu of the appropriation made in section 455A.18, for  
 17 the fiscal year beginning July 1, 2004, and ending  
 18 June 30, 2005, the following amount, to be allocated  
 19 as provided in section 455A.19:  
 20 ..... \$ 11,000,000

21 Sec. \_\_\_\_ REVERSION.

22 1. Except as provided in subsection 2, and  
23 notwithstanding section 8.33, moneys appropriated in  
24 this division of this Act that remain unencumbered or  
25 unobligated shall not revert at the close of the  
26 fiscal year for which they were appropriated but shall  
27 remain available for the purposes designated until the  
28 close of the fiscal year beginning July 1, 2005, or  
29 until the project for which the appropriation was made  
30 is completed, whichever is earlier.

31 2. Notwithstanding section 8.33, moneys  
32 appropriated in this division of this Act to the  
33 department of agriculture and land stewardship to  
34 provide financial assistance for the establishment of  
35 permanent soil and water conservation practices that  
36 remain unencumbered or unobligated at the close of the  
37 fiscal year shall not revert but shall remain  
38 available for expenditure for the purposes designated  
39 until the close of the fiscal year that begins July 1,  
40 2007.

41 DIVISION

42 TOBACCO SETTLEMENT TRUST FUND

43 Sec. \_\_\_\_ There is appropriated from the tax-  
44 exempt bond proceeds restricted capital funds account  
45 of the tobacco settlement trust fund to the following  
46 departments and agencies for the fiscal year beginning  
47 July 1, 2004, and ending June 30, 2005, the following  
48 amounts, or so much thereof as is necessary, to be  
49 used for the purposes designated:

50 1. DEPARTMENT OF ADMINISTRATIVE SERVICES

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- 1 a. For the payment of claims relating to the
- 2 purchase and implementation of an integrated
- 3 information for Iowa system, notwithstanding section
- 4 12E.12, subsection 1, paragraph "b", subparagraph (1):
- 5 ..... \$ 6,049,284
- 6 b. For capitol interior restoration:
- 7 ..... \$ 3,500,000

8 The department shall consult with the leaders of  
9 the senate and house of representatives prior to  
10 planning or implementing any capitol interior  
11 restoration project or other activity.

12 2. TAX-EXEMPT STATUS – USE OF APPROPRIATIONS.

13 Payment of moneys from the appropriations in this  
14 section shall be made in a manner that does not  
15 adversely affect the tax-exempt status of any  
16 outstanding bonds issued by the tobacco settlement  
17 authority.

18 3. REVERSION. Notwithstanding section 8.33,  
19 moneys appropriated in this section shall not revert

20 at the close of the fiscal year for which they were  
 21 appropriated but shall remain available for the  
 22 purposes designated until the close of the fiscal year  
 23 that begins July 1, 2006, or until the project for  
 24 which the appropriation was made is completed,  
 25 whichever is earlier.

26 Sec.\_\_\_\_. PAYMENTS IN LIEU OF TUITION. There is  
 27 appropriated from the tax-exempt bond proceeds  
 28 restricted capital funds account of the tobacco  
 29 settlement trust fund of the state to the state board  
 30 of regents for the fiscal year beginning July 1, 2004,  
 31 and ending June 30, 2005, the following amount, or so  
 32 much thereof as is necessary, to be used for the  
 33 purpose designated:  
 34 For allocation by the state board of regents to the  
 35 state university of Iowa, the Iowa state university of  
 36 science and technology, and the university of northern  
 37 Iowa to reimburse the institutions for deficiencies in  
 38 their operating funds resulting from the pledging of  
 39 tuitions, student fees and charges, and institutional  
 40 income to finance the cost of providing academic and  
 41 administrative buildings and facilities and utility  
 42 services at the institutions, notwithstanding section  
 43 12E.12, subsection 1, paragraph "b", subparagraph (1):  
 44 ..... \$ 10,437,174

45 Sec.\_\_\_\_. IOWA COMMUNICATIONS NETWORK DEBT  
 46 SERVICE. There is appropriated from the tax-exempt  
 47 bond proceeds restricted capital funds account of the  
 48 tobacco settlement trust fund to the office of the  
 49 treasurer of state for the fiscal year beginning July  
 50 1, 2004, and ending June 30, 2005, the following

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1 amount, or so much thereof as is necessary, to be used  
 2 for the purpose designated:  
 3 For debt service for the Iowa communications  
 4 network, notwithstanding section 12E.12, subsection 1,  
 5 paragraph "b", subparagraph (1):  
 6 ..... \$ 13,039,778

7 Funds appropriated in this section shall be  
 8 deposited in a separate fund established in the office  
 9 of the treasurer of state to be used solely for debt  
 10 service for the Iowa communications network. The Iowa  
 11 telecommunications and technology commission shall  
 12 certify to the treasurer of state when a debt service  
 13 payment is due, and upon receipt of the certification,  
 14 the treasurer shall make the payment. The commission  
 15 shall pay any additional amount due from funds  
 16 deposited in the Iowa communications network fund.

17 Sec.\_\_\_\_. PRISON DEBT SERVICE. There is  
 18 appropriated from the tax-exempt bond proceeds

19 restricted capital funds account of the tobacco  
 20 settlement trust fund to the office of the treasurer  
 21 of state for the fiscal year beginning July 1, 2004,  
 22 and ending June 30, 2005, the following amount, or so  
 23 much thereof as is necessary, to be used for the  
 24 purpose designated:  
 25 For repayment of prison infrastructure bonds under  
 26 section 16.177, notwithstanding section 12E.12,  
 27 subsection 1, paragraph "b", subparagraph (1):  
 28 ..... \$ 5,413,324  
 29 Sec.\_\_\_\_. ENDOWMENT FOR IOWA'S HEALTH ACCOUNT –  
 30 TRANSFER TO REBUILD IOWA INFRASTRUCTURE FUND.  
 31 Notwithstanding 2001 Iowa Acts, chapter 174, section  
 32 1, subsection 1, as amended by 2002 Iowa Acts, chapter  
 33 1167, section 4, 2002 Iowa Acts, chapter 1174, section  
 34 8, and 2002 Iowa Acts, chapter 1175, section 95, there  
 35 is transferred from the endowment for Iowa's health  
 36 account of the tobacco settlement trust fund created  
 37 in section 12E.12 to the rebuild Iowa infrastructure  
 38 fund for the fiscal year beginning July 1, 2004, and  
 39 ending June 30, 2005, the following amount:  
 40 ..... \$ 10,966,960  
 41 Notwithstanding section 8.33, moneys transferred in  
 42 this section shall not revert.  
 43 Sec.\_\_\_\_. 2003 Iowa Acts, chapter 177, section 23,  
 44 subsection 3, is amended to read as follows:  
 45 3. Notwithstanding section 8.33, moneys  
 46 appropriated in this section shall not revert at the  
 47 close of the fiscal year for which they were  
 48 appropriated, but shall remain available for the  
 49 purpose designated until the close of the fiscal year  
 50 that begins July 1, ~~2008~~ 2006, or until the project

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1 for which the appropriation was made is completed,  
 2 whichever is earlier.  
 3 Sec.\_\_\_\_. 2002 Iowa Acts, chapter 1173, section 1,  
 4 subsection 7, paragraph a, is amended to read as  
 5 follows:  
 6 a. For parking improvements and provision of  
 7 street access for the judicial building:  
 8 FY 2002-2003 ..... \$ 700,000  
 9 FY 2003-2004 ..... \$ 0  
 10 FY 2004-2005 ..... \$ 0  
 11 FY 2005-2006 ..... \$ 0  
 12 Of the amount appropriated in this lettered  
 13 paragraph for FY 2002-2003, up to \$330,000 may be used  
 14 for costs associated with operation of the judicial  
 15 building, notwithstanding section 12E.12, subsection  
 16 1, paragraph "b", subparagraph (1).  
 17 DIVISION\_\_\_\_\_

18 MISCELLANEOUS FUNDS  
 19 Sec.\_\_\_\_. HELP AMERICA VOTE ACT. There is  
 20 appropriated from the general fund of the state to the  
 21 office of the secretary of state for the fiscal year  
 22 beginning July 1, 2003, and ending June 30, 2004, the  
 23 following amount, or so much thereof as is necessary,  
 24 to be used for the purposes designated:  
 25 For the purchase and installation of voting  
 26 machines to implement the federal Help America Vote  
 27 Act (HAVA):  
 28 ..... \$ 765,000  
 29 Of the federal funds drawn down pursuant to HAVA,  
 30 not less than 80 percent shall be distributed to  
 31 counties for the implementation of that Act.  
 32 The state commissioner of elections shall report to  
 33 the general assembly regarding the expenditure of the  
 34 moneys appropriated in this subsection by January 2,  
 35 2005, and July 1, 2005.  
 36 Notwithstanding section 8.33, moneys appropriated  
 37 in this section that remain unencumbered or  
 38 unobligated at the close of the fiscal year shall not  
 39 revert but shall remain available for expenditure for  
 40 the purposes designated until the close of the  
 41 succeeding fiscal year.  
 42 Sec.\_\_\_\_. GENERAL FUND APPROPRIATIONS.  
 43 1. There is appropriated from the general fund of  
 44 the state to the state department of transportation  
 45 for the fiscal year beginning July 1, 2004, and ending  
 46 June 30, 2005, the following amounts, or so much  
 47 thereof as is necessary, to be used for the purposes  
 48 designated:  
 49 a. For operation and maintenance of the network of  
 50 automated weather observation and data transfer

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1 systems associated with the Iowa aviation weather  
 2 system, the runway marking program for public  
 3 airports, the windsock program for public airports,  
 4 and the aviation improvement program:  
 5 ..... \$ 64,792  
 6 b. For the rail assistance program and to provide  
 7 economic development project funding:  
 8 ..... \$ 35,959  
 9 2. There is appropriated from the general fund of  
 10 the state to the racing and gaming commission within  
 11 the department of inspections and appeals for the  
 12 fiscal year beginning July 1, 2004, and ending June  
 13 30, 2005, in addition to any other appropriation made  
 14 by the general assembly, the following amount, or so  
 15 much thereof as is necessary, to be used for the  
 16 purposes designated:

17 For salaries, support, maintenance, and  
 18 miscellaneous purposes for the regulation of pari-  
 19 mutual racetracks:  
 20 ..... \$ 217,161  
 21 The funds appropriated in this subsection shall be  
 22 used for one additional gaming representative at each  
 23 of the three licensed racetracks.  
 24 Sec.\_\_\_\_. PRIMARY ROAD FUND APPROPRIATION. There  
 25 is appropriated from the primary road fund to the  
 26 department of administrative services for the fiscal  
 27 year beginning July 1, 2004, and ending June 30, 2005,  
 28 the following amount, or so much thereof as is  
 29 necessary, to be used for distribution to the state  
 30 department of transportation:  
 31 ..... \$ 465,491  
 32 Moneys appropriated in this section shall be  
 33 separately accounted for in a distribution account and  
 34 shall be distributed to the state department of  
 35 transportation to pay for services provided the state  
 36 department of transportation by the department of  
 37 administrative services as described in chapter 8A.  
 38 Sec.\_\_\_\_. ROAD USE TAX FUND APPROPRIATION. There  
 39 is appropriated from the road use tax fund to the  
 40 department of administrative services for the fiscal  
 41 year beginning July 1, 2004, and ending June 30, 2005,  
 42 the following amount, or so much thereof as is  
 43 necessary, to be used for distribution to the state  
 44 department of transportation:  
 45 ..... \$ 76,059  
 46 Moneys appropriated in this section shall be  
 47 separately accounted for in a distribution account and  
 48 shall be distributed to the state department of  
 49 transportation to pay for services provided the state  
 50 department of transportation by the department of

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1 administrative services as described in chapter 8A.  
 2 Sec.\_\_\_\_. TRANSFER AND DEPOSIT OF SURPLUS MONEYS  
 3 IN LOCAL HOUSING ASSISTANCE PROGRAM FUND. The sum of  
 4 \$800,000 is transferred from moneys declared by the  
 5 Iowa finance authority under section 16.10 to be  
 6 surplus moneys to the housing trust fund created in  
 7 section 16.181 for the fiscal year beginning July 1,  
 8 2004, and ending June 30, 2005.  
 9 Sec.\_\_\_\_. 2003 Iowa Acts, chapter 171, section 2,  
 10 is amended by inserting the following new unnumbered  
 11 paragraph:  
 12 NEW UNNUMBERED PARAGRAPH. Notwithstanding section  
 13 8.33, moneys appropriated in subsection 1 that remain  
 14 unencumbered or unobligated at the close of the fiscal  
 15 year shall not revert but shall remain available for

16 expenditure until the close of the fiscal year that  
17 begins July 1, 2004, for the purpose of restocking the  
18 department's salt storage.

19 Sec.\_\_\_\_. EFFECTIVE DATE.

20 1. The section of this division of this Act  
21 providing an appropriation for implementation of the  
22 federal Help America Vote Act, being deemed of  
23 immediate importance, takes effect upon enactment.

24 2. The section of this division of this Act,  
25 amending 2003 Iowa Acts, chapter 171, section 2, being  
26 deemed of immediate importance, takes effect upon  
27 enactment.

28 DIVISION

29 CODE CHANGES

30 Sec.\_\_\_\_. Section 15.109, subsection 2, Code 2003,  
31 is amended to read as follows:

32 2. Apply for, receive, administer, and use federal  
33 or other funds available for achieving the purposes of  
34 this chapter. For purposes of this subsection, the  
35 term "federal funds" includes federal tax credits,  
36 grants, or other economic benefits allocated or  
37 provided by the United States government to encourage  
38 investment in low-income or other specified areas or  
39 to otherwise promote economic development. The  
40 department may enter into an agreement pursuant to  
41 chapter 28E, or any other agreement, with a person,  
42 including for-profit and nonprofit legal entities, in  
43 order to directly or indirectly apply for, receive,  
44 administer, and use federal funds. As part of such  
45 agreements and in furtherance of this public purpose  
46 and in addition to powers and duties conferred under  
47 other provisions of law, the department may, including  
48 for or on behalf of for-profit or nonprofit legal  
49 entities, appoint, remove, and replace board members  
50 and advisors; provide oversight; make its personnel

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1 and resources available to perform administrative,  
2 management, and compliance functions; coordinate  
3 investments; and engage in other acts as reasonable  
4 and necessary to encourage investment in low-income or  
5 other areas or to promote economic development. The  
6 department, including department officials and  
7 employees in their official and personal capacities,  
8 are immune from liability for all acts or omissions  
9 under this subsection.

10 Sec.\_\_\_\_. Section 80.9, subsection 2, paragraph f,  
11 Code 2003, is amended to read as follows:

12 f. Provide protection and security for persons and  
13 property on the grounds of the state capitol complex.  
14 Notwithstanding chapter 8A or any other provision of

15 law, the department shall be solely responsible for  
 16 the purchase, installation, and maintenance of,  
 17 including making any improvements or additions to,  
 18 executive branch capitol complex security systems or  
 19 equipment, including the changing of locks and  
 20 issuance of keys, access cards, and identification  
 21 badges. The department of administrative services  
 22 shall cooperate with the department of public safety  
 23 in executing the department's duties under this  
 24 paragraph.

25 Sec. \_\_\_\_\_. Section 423.3, subsections 2 and 37, as  
 26 enacted by 2003 Iowa Acts, First Extraordinary  
 27 Session, chapter 2, section 96, are amended to read as  
 28 follows:

29 2. The sales price of sales for resale of tangible  
 30 personal property or taxable services, or for resale  
 31 of tangible personal property in connection with the  
 32 furnishing of taxable services except for sales, other  
 33 than leases or rentals, which are sales, of machinery,  
 34 equipment, attachments, and replacement parts  
 35 specifically enumerated in subsection 37 and used in  
 36 the manner described in subsection 37.

37 37. The sales price of services on or connected  
 38 with new construction, reconstruction, alteration,  
 39 expansion, remodeling, or the services of a general  
 40 building contractor, architect, or engineer. The  
 41 exemption in this subsection also applies to the sales  
 42 price on the lease or rental of self-propelled  
 43 building equipment, self-constructed cranes, pile  
 44 drivers, structural concrete forms, regular and  
 45 motorized scaffolding, generators, or attachments  
 46 customarily drawn or attached to self-propelled  
 47 building equipment, self-constructed cranes, pile  
 48 drivers, structural concrete forms, regular and  
 49 motorized scaffolding, and generators, including  
 50 auxiliary attachments which improve the performance.

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1 safety, operation, or efficiency of the equipment and  
 2 replacement parts and are directly and primarily used  
 3 by contractors, subcontractors, and builders for new  
 4 construction, reconstruction, alterations, expansion,  
 5 or remodeling of real property or structures.

6 DIVISION

7 MISCELLANEOUS PROVISIONS

8 Sec. \_\_\_\_\_. Section 8.57, subsection 5, Code  
 9 Supplement 2003, is amended by adding the following  
 10 new paragraph:

11 NEW PARAGRAPH. g. Notwithstanding any other  
 12 provision to the contrary, and prior to the  
 13 appropriation of moneys from the rebuild Iowa

14 infrastructure fund pursuant to paragraph "c", and  
15 section 8.57A, subsection 4, moneys shall first be  
16 appropriated from the rebuild Iowa infrastructure fund  
17 to the vertical infrastructure fund as provided in  
18 section 8.57B, subsection 4.

19 Sec. \_\_\_\_ NEW SECTION. 8.57B VERTICAL  
20 INFRASTRUCTURE FUND.

21 1. A vertical infrastructure fund is created under  
22 the authority of the department of management. The  
23 fund shall consist of appropriations made to the fund  
24 and transfers of interest, earnings, and moneys from  
25 other funds as provided by law. The fund shall be  
26 separate from the general fund of the state and the  
27 balance in the fund shall not be considered part of  
28 the balance of the general fund of the state.

29 However, the fund shall be considered a special  
30 account for the purposes of section 8.53, relating to  
31 generally accepted accounting principles.

32 2. Notwithstanding section 12C.7, subsection 2,  
33 interest or earnings on moneys in the vertical  
34 infrastructure fund shall be credited to the rebuild  
35 Iowa infrastructure fund.

36 3. Moneys in the fund in a fiscal year shall be  
37 used as appropriated by the general assembly for  
38 public vertical infrastructure projects. For the  
39 purposes of this section, "vertical infrastructure"  
40 includes only land acquisition and construction, major  
41 renovation, and major repair of buildings, all  
42 appurtenant structures, utilities, and site  
43 development. "Vertical infrastructure" does not  
44 include routine, recurring maintenance, debt service,  
45 or operational expenses or leasing of a building,  
46 appurtenant structure, or utility without a lease-  
47 purchase agreement.

48 4. There is appropriated from the rebuild Iowa  
49 infrastructure fund to the vertical infrastructure  
50 fund, the following:

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1 a. For the fiscal year beginning July 1, 2005, and  
2 ending June 30, 2006, the sum of fifteen million  
3 dollars.

4 b. For the fiscal year beginning July 1, 2006, and  
5 ending June 30, 2007, the sum of fifty million  
6 dollars.

7 c. For the fiscal year beginning July 1, 2007, and  
8 ending June 30, 2008, the sum of seventy-five million  
9 dollars.

10 d. For the fiscal year beginning July 1, 2008, and  
11 each fiscal year thereafter, the sum of one hundred  
12 million dollars.

13 Sec. \_\_\_\_\_. Section 8D.13, subsection 12, Code  
14 Supplement 2003, is amended to read as follows:  
15 12. The commission, on its own or as recommended  
16 by an advisory committee of the commission and  
17 approved by the commission, shall permit a fee to be  
18 charged by a receiving site to the originator of the  
19 communication provided on the network. The fee  
20 charged shall be for the purpose of recovering the  
21 operating costs of a receiving site. The fee charged  
22 shall be reduced by an amount received by the  
23 receiving site pursuant to a state appropriation for  
24 such costs, or federal assistance received for such  
25 costs. Fees established under this subsection shall  
26 be paid by the originator of the communication  
27 directly to the receiving site. In the event that an  
28 entity requests a receiving site location in a video  
29 classroom facility which is authorized by, but not  
30 funded by, the originator of the communication, the  
31 requesting entity shall be directly billed by the  
32 video classroom facility for operating costs relating  
33 to the communication. For purposes of this section,  
34 "operating costs" include the costs associated with  
35 the management or coordination, operations, utilities,  
36 classroom, equipment, maintenance, and other costs  
37 directly related to providing the receiving site.  
38 Sec. \_\_\_\_\_. Section 15E.208, subsection 3, paragraph  
39 b, subparagraph (2), Code Supplement 2003, is amended  
40 by adding the following new subparagraph subdivisions:  
41 NEW SUBPARAGRAPH SUBDIVISION. (c) Notwithstanding  
42 any provision of this division to the contrary,  
43 payments on the principal balance of the loan granted  
44 by the corporation to an eligible person and assigned  
45 to the department pursuant to this subparagraph during  
46 calendar year 2003 shall be deferred until October 1,  
47 2007. The eligible person shall make principal  
48 payments to the department in the amount of one  
49 million dollars for each year on October 1, 2007,  
50 October 1, 2008, and October 1, 2009. The eligible

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1 person shall pay the department four hundred eighty-  
2 two thousand seven hundred sixty-one dollars in  
3 interest, which shall be deemed to be the total amount  
4 of interest accruing on the principal amount of the  
5 loan. The eligible person shall pay the interest  
6 amount on October 1, 2010. Upon the payment of the  
7 principal balance of the loan and the accrued  
8 interest, the debt shall be retired.  
9 NEW SUBPARAGRAPH SUBDIVISION. (d) Notwithstanding  
10 any provision of this division to the contrary, the  
11 corporation shall repay the department the principal

12 balance of the Iowa agricultural industry finance loan  
13 beginning on October 1, 2007. The principal balance  
14 of the loan equals twenty-one million five hundred  
15 seventeen thousand two hundred thirty-nine dollars.  
16 The corporation shall repay the department five  
17 hundred seventeen thousand two hundred thirty-nine  
18 dollars by October 1, 2007, and for each subsequent  
19 year the corporation shall repay the department at  
20 least one million dollars by October 1 until the total  
21 principal balance of the loan is repaid. This  
22 subparagraph subdivision shall not be construed to  
23 limit the department's authority to negotiate the  
24 payment of interest accruing on the principal balance  
25 which shall be paid to the department as provided by  
26 an agreement executed by the department and the  
27 corporation.

28 Sec.\_\_\_\_. Section 28M.1, if enacted by 2004 Iowa  
29 Acts, Senate File 2284, section 1, is amended by  
30 adding the following new subsection:

31 **NEW SUBSECTION.** 3. "Transportation" means the  
32 movement of individuals in a four or more wheeled  
33 motorized vehicle designed to carry passengers,  
34 including a car, van, or bus, or the carrying of  
35 individuals upon cars operated upon stationary rails,  
36 between one geographic point and another geographic  
37 point. "Transportation" does not include emergency or  
38 incidental transportation or transportation conducted  
39 by the department of human services at its  
40 institutions.

41 Sec.\_\_\_\_. Section 28M.2, subsections 1 and 3, if  
42 enacted by 2004 Iowa Acts, Senate File 2284, section  
43 2, are amended to read as follows:

44 1. A county with a population in excess of ~~three~~  
45 one hundred seventy-five thousand and participating  
46 cities may create, by chapter 28E agreement, a  
47 regional transit district in the county pursuant to  
48 this chapter. Two or more contiguous counties and  
49 participating cities may create, by chapter 28E  
50 agreement, a regional transit district pursuant to

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1 this chapter if one of the counties has a population  
2 in excess of ~~three~~ one hundred seventy-five thousand.  
3 A district shall consist of the unincorporated area of  
4 any participating county and the incorporated area of  
5 any city in the county that does not have an urban  
6 transit system. However, a city without an urban  
7 transit system may decline, by resolution forwarded to  
8 the board of supervisors, to participate in a regional  
9 transit district.

10 3. A city that is located in a nonparticipating

11 county that is contiguous to a county with a  
12 population in excess of ~~three one~~ hundred ~~seventy-five~~  
13 thousand that is creating a regional transit district  
14 may notify that county, by resolution forwarded to the  
15 board of supervisors of that county, that the city  
16 wishes to participate.

17 Sec. \_\_\_\_. Section 28M.5, subsection 1, unnumbered  
18 paragraph 2, if enacted by 2004 Iowa Acts, Senate File  
19 2284, section 5, is amended to read as follows:

20 The amount of the regional transit district levy  
21 that is the responsibility of a participating county  
22 shall be deducted from the maximum rates of taxes  
23 authorized to be levied by the county pursuant to  
24 section 331.423, subsections 1 and 2, as applicable.  
25 However, for a regional transit district that includes  
26 a county with a population of less than three hundred  
27 thousand, the amount of the regional transit district  
28 levy that is the responsibility of a participating  
29 county shall be deducted from the maximum rate of  
30 taxes authorized to be levied by the county pursuant  
31 to section 331.423, subsection 1.

32 Sec. \_\_\_\_. Section 99F.7, subsection 13, Code 2003,  
33 as amended by 2004 Iowa Acts, House File 2302, if  
34 enacted, is amended to read as follows:

35 13. ~~An~~ When applicable, an excursion gambling boat  
36 operated on inland waters of this state or an  
37 excursion boat that has been removed from navigation  
38 and is designated as a permanently moored vessel by  
39 the United States coast guard shall be subject to the  
40 exclusive jurisdiction of the department of natural  
41 resources and meet all of the requirements of chapter  
42 462A and is further subject to an inspection of its  
43 sanitary facilities to protect the environment and  
44 water quality before a certificate of registration is  
45 issued by the department of natural resources or a  
46 license is issued or renewed under this chapter.

47 Sec. \_\_. Section 165B.5, subsection 3, if enacted  
48 by 2004 Iowa Acts, House File 2476, section 6, is  
49 amended to read as follows:

50 3. a. A person who owns or operates a restricted

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1 concentration point is subject to a civil penalty of  
2 ~~not less than~~ five thousand dollars for the first  
3 violation and ~~not less than~~ twenty-five thousand  
4 dollars for each subsequent violation. Each day that  
5 a violation continues constitutes a separate  
6 violation.

7 b. A person who has a legal interest in infected  
8 poultry or has custody of infected poultry which are  
9 located at a restricted concentration point is subject

10 to a civil penalty of ~~not less than~~ five thousand  
11 dollars for the first violation and ~~not less than~~  
12 twenty-five thousand dollars for each subsequent  
13 violation. Each day that a violation continues  
14 constitutes a separate violation.

15 c. A person who transports poultry to or from a  
16 restricted concentration point is subject to a civil  
17 penalty of ~~not less than~~ one thousand dollars for the  
18 first violation and ~~not less than~~ five thousand  
19 dollars for each subsequent violation. Each day that  
20 a violation continues constitutes a separate  
21 violation.

22 d. A person who purchases, offers to purchase,  
23 barter, or offers to barter for poultry at a  
24 restricted concentration point is subject to a civil  
25 penalty of ~~not less than~~ one hundred dollars for the  
26 first violation and ~~not less than~~ one thousand dollars  
27 for each subsequent violation. Each day that a  
28 violation continues constitutes a separate violation.

29 e. A person who charges admission for entry into a  
30 restricted concentration point where a contest occurs  
31 or otherwise holds, advertises, or conducts the  
32 contest is subject to a civil penalty of ~~not less than~~  
33 one thousand dollars for the first violation and ~~not~~  
34 ~~less than~~ five thousand dollars for each subsequent  
35 violation. Each day that a violation continues  
36 constitutes a separate violation.

37 f. A person who attends or participates in a  
38 contest at a restricted concentration point where a  
39 contest occurs is subject to a civil penalty of ~~not~~  
40 ~~less than~~ one hundred dollars for the first violation  
41 and ~~not less than~~ one thousand dollars for each  
42 subsequent violation. Each day that a violation  
43 continues constitutes a separate violation.

44 Sec. \_\_\_\_\_. Section 260C.18A, subsection 3, Code  
45 Supplement 2003, is amended to read as follows:  
46 3. Of the moneys appropriated in this section, for  
47 the fiscal period beginning July 1, 2003, and ending  
48 June 30, ~~2006~~ 2007, the following amounts shall be  
49 designated for the purposes of funding job retention  
50 projects under section 260F.9:

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- 1 a. One million dollars for the fiscal year
- 2 beginning July 1, 2003.
- 3 b. One million dollars for the fiscal year
- 4 beginning July 1, 2004.
- 5 c. One million dollars for the fiscal year
- 6 beginning July 1, 2005.
- 7 d. One million dollars for the fiscal year
- 8 beginning July 1, 2006. However, this paragraph only

9 applies if moneys allocated under paragraph "a" were  
 10 distributed to community colleges as provided under  
 11 subsection 8.  
 12 Sec.\_\_\_\_. Section 260C.18A, Code Supplement 2003,  
 13 is amended by adding the following new subsection:  
 14 NEW SUBSECTION. 8. If moneys allocated under  
 15 subsection 3, paragraph "a", are unobligated and  
 16 unencumbered on June 30, 2004, those moneys shall be  
 17 distributed to community colleges in accordance with  
 18 subsection 5 for the fiscal year beginning July 1,  
 19 2004, and ending June 30, 2005.  
 20 Sec.\_\_\_\_. Section 306.46, as enacted by 2004 Iowa  
 21 Acts, Senate File 2118, section 1, is amended by  
 22 adding the following new subsection:  
 23 NEW SUBSECTION. 3. This section shall not impair  
 24 or interfere with a city's authority to grant, amend,  
 25 extend, or renew a franchise as provided in section  
 26 364.2, and shall not impair or interfere with a city's  
 27 existing general police powers to control the use of  
 28 its right-of-way.  
 29 Sec.\_\_\_\_. Section 321.34, subsection 11,  
 30 paragraphs c and d, Code Supplement 2003, are amended  
 31 to read as follows:  
 32 c. The special natural resources fee for letter  
 33 number designated natural resources plates is ~~thirty-~~  
 34 ~~five~~ forty-five dollars. The fee for personalized  
 35 natural resources plates is forty-five dollars which  
 36 shall be paid in addition to the special natural  
 37 resources fee of ~~thirty-five~~ forty-five dollars. The  
 38 fees collected by the director under this subsection  
 39 shall be paid monthly to the treasurer of state and  
 40 credited to the road use tax fund. Notwithstanding  
 41 section 423.24, and prior to the crediting of revenues  
 42 to the road use tax fund under section 423.24,  
 43 subsection 1, paragraph "b", the treasurer of state  
 44 shall credit monthly from those revenues to the Iowa  
 45 resources enhancement and protection fund created  
 46 pursuant to section 455A.18, the amount of the special  
 47 natural resources fees collected in the previous month  
 48 for the natural resources plates.  
 49 From the moneys credited to the Iowa resources  
 50 enhancement and protection fund under this paragraph

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1 "c", ten dollars of the fee collected for each natural  
 2 resources plate issued, and fifteen dollars from each  
 3 renewal fee, shall be allocated to the department of  
 4 natural resources wildlife bureau to be used for  
 5 nongame wildlife programs.  
 6 d. Upon receipt of the special registration  
 7 plates, the applicant shall surrender the current

8 registration receipt and plates to the county  
9 treasurer. The county treasurer shall validate the  
10 special registration plates in the same manner as  
11 regular registration plates are validated under this  
12 section. The annual special natural resources fee for  
13 letter number designated plates is ~~ten~~ twenty-five  
14 dollars which shall be paid in addition to the regular  
15 annual registration fee. The annual fee for  
16 personalized natural resources plates is five dollars  
17 which shall be paid in addition to the annual special  
18 natural resources fee and the regular annual  
19 registration fee. The annual special natural  
20 resources fee shall be credited as provided under  
21 paragraph "c".

22 Sec. \_\_\_\_\_. NEW SECTION. 327F.38 FIRST AID AND  
23 MEDICAL TREATMENT FOR EMPLOYEES.  
24 The department shall adopt rules requiring railroad  
25 corporations within the state to provide reasonable  
26 and adequate access to first aid and medical treatment  
27 for employees injured in the course of employment. A  
28 railroad corporation found guilty of a rule adopted  
29 pursuant to this section shall, upon conviction, be  
30 subject to a schedule "one" penalty.

31 Sec. \_\_\_\_\_. Section 331.362, subsection 5, Code  
32 Supplement 2003, is amended to read as follows:  
33 5. The Notwithstanding any provision of law to the  
34 contrary, the board may enter into agreements with the  
35 department of transportation as provided in section  
36 313.2, including but not limited to agreements for the  
37 disposition of county property in accordance with  
38 section 331.361, subsection 2.

39 Sec. \_\_\_\_\_. Section 422.11J, subsection 5, paragraph  
40 a, if enacted by 2004 Iowa Acts, Senate File 2295, is  
41 amended to read as follows:  
42 a. "Disabled student" means a child requiring  
43 special education, as defined in section 256B.2,  
44 subsection 1, or a student with disabilities who  
45 qualifies for educational services under section 504  
46 of the federal Rehabilitation Act of 1973, as amended  
47 and codified in 29 U.S.C. } 794.

48 Sec. \_\_\_\_\_. Section 432.1, subsection 6, paragraph  
49 b, unnumbered paragraph 1, Code Supplement 2003, is  
50 amended to read as follows:

Page 29

1 In addition to the prepayment amount in paragraph  
2 "a", each life insurance company or association which  
3 is subject to tax under subsection 1 of this section  
4 and each mutual health service corporation which is  
5 subject to tax under section 432.2 shall remit on or  
6 before ~~June 30~~ August 15, on a prepayment basis, an

7 additional amount equal to the following percent of  
 8 the premium tax liability for the preceding calendar  
 9 year as follows:

10 Sec.\_\_\_\_. Section 432.1, subsection 6, paragraph  
 11 c, unnumbered paragraph 1, Code Supplement 2003, is  
 12 amended to read as follows:

13 In addition to the prepayment amount in paragraph  
 14 "a", each insurance company or association, other than  
 15 a life insurance company or association, which is  
 16 subject to tax under subsection 3 shall remit on or  
 17 before ~~June 30~~ August 15, on a prepayment basis, an  
 18 additional amount equal to the following percent of  
 19 the premium tax liability for the preceding calendar  
 20 year as follows:

21 Sec.\_\_\_\_. Section 518.18, subsection 3, paragraph  
 22 b, unnumbered paragraph 1, Code Supplement 2003, is  
 23 amended to read as follows:

24 In addition to the prepayment amount in paragraph  
 25 "a", each association shall remit on or before ~~June 30~~  
 26 August 15, on a prepayment basis, an additional amount  
 27 equal to the following percent of the premium tax  
 28 liability for the preceding calendar year as follows:

29 Sec.\_\_\_\_. Section 518A.35, subsection 3, paragraph  
 30 b, unnumbered paragraph 1, Code Supplement 2003, is  
 31 amended to read as follows:

32 In addition to the prepayment amount in paragraph  
 33 "a", each association shall remit on or before ~~June 30~~  
 34 August 15, on a prepayment basis, an additional amount  
 35 equal to the following percent of the premium tax  
 36 liability for the preceding calendar year as follows:

37 Sec.\_\_\_\_. 2004 Iowa Acts, Senate File 2257,  
 38 section 1, subsection 10, if enacted, is amended to  
 39 read as follows:

40 10. APPLICABILITY DATE. This section applies to  
 41 personal insurance contracts or policies delivered,  
 42 issued for delivery, continued, or renewed in this  
 43 state on or after ~~April 1, 2005~~ October 1, 2004.

44 Sec.\_\_\_\_. 2003 Iowa Acts, chapter 145, section  
 45 290, subsection 2, paragraph c, is amended to read as  
 46 follows:

47 c. By ~~September~~ December 1, 2004, the department  
 48 of administrative services, with the assistance of the  
 49 department of management, shall conduct a  
 50 comprehensive study of the impact of transferring all

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1 state agency employees delivering information  
 2 technology services to the department of  
 3 administrative services and of the impact of  
 4 physically merging the data centers of the department,  
 5 the state department of transportation, and the

6 department of workforce development, into one data  
7 center. The study shall include an assessment of  
8 advantages and disadvantages, economies of scale,  
9 cost, and space availability, and shall solicit input  
10 from outside vendors, both public and private. The  
11 department shall report to the legislative ~~fiscal~~  
12 ~~bureau services agency~~ and the committees on  
13 government oversight of the senate and house of  
14 representatives on the department's findings and  
15 recommendations by ~~November 1, December 15, 2004.~~

16 Sec. \_\_\_\_\_. 2004 Iowa Acts, House File 2562, section  
17 11, subsection 1, if enacted, is amended to read as  
18 follows:

19 1. This Act, except for the provision of this Act  
20 enacting section 99B.10, subsection 5B, being deemed  
21 of immediate importance, takes effect upon enactment.  
22 Sec. \_\_\_\_\_. MENTAL HEALTH INSTITUTE AT CHEROKEE. If  
23 building space located at the state mental health  
24 institute at Cherokee being used by an organization  
25 other than the state will be vacated by the  
26 organization, the department of human services shall  
27 reserve the space to be available for the purposes  
28 described in this section. The department shall  
29 develop a plan for using vacant building space at the  
30 institute for a program to address the treatment needs  
31 of persons with a developmental disability who exhibit  
32 sexually violent behavior and are residents at state  
33 resource centers or other residential settings.

34 Sec. \_\_\_\_\_. EFFECTIVE DATE. The sections of this  
35 division of this Act amending section 260C.18A, Code  
36 Supplement 2003, being deemed of immediate importance,  
37 take effect upon enactment.

38 Sec. \_\_\_\_\_. EFFECTIVE DATE. The section of this  
39 division of this Act amending section 306.46, being  
40 deemed of immediate importance, takes effect upon  
41 enactment.

42 Sec. \_\_\_\_\_. REAP PLATES – EFFECTIVE DATE. The  
43 section of this division of this Act amending section  
44 321.34, subsection 11, paragraphs "c" and "d", takes  
45 effect January 1, 2005.

46 Sec. \_\_\_\_\_. EFFECTIVE DATE. The sections of this  
47 division of this Act amending sections 432.1, 518.18,  
48 and 518A.35, being deemed of immediate importance,  
49 take effect upon enactment.

50 DIVISION

Page 31

1 CORRECTIVE PROVISIONS

2 Sec. \_\_\_\_\_. Section 9E.6A, unnumbered paragraph 1,  
3 Code 2003, as amended by 2004 Iowa Acts, House File  
4 2516, section 1, if enacted, is amended to read as

5 follows:

6 Each person performing a notarial act pursuant to  
7 section 9E.10 must acquire and use a stamp or seal as  
8 provided in this chapter. However, this section shall  
9 not apply to a notarial act performed by a judicial  
10 officer as defined in section 602.1101, if the  
11 notarial act is performed in accordance with state or  
12 federal statutory authority, ~~or is and shall not apply~~  
13 ~~to a certification by a chief officer or a chief~~  
14 ~~officer's designee of a peace officer's verification~~  
15 ~~of a uniform citation and complaint pursuant to~~  
16 ~~section 805.6, subsection 5.~~

17 Sec.\_\_\_\_. Section 9H.1, subsection 17, Code  
18 Supplement 2003, is amended to read as follows:

19 17. "Limited partnership" means a limited  
20 partnership as defined in section 487.101, subsection  
21 ~~7, and or 488.102, or a limited liability limited~~  
22 ~~partnership under section 487.1301 or chapter 488,~~  
23 ~~which owns or leases agricultural land or is engaged~~  
24 ~~in farming.~~

25 Sec.\_\_\_\_. Section 9H.1, subsection 17, Code  
26 Supplement 2003, as amended by this division of this  
27 Act to take effect January 1, 2005, is amended to read  
28 as follows:

29 17. "Limited partnership" means a limited  
30 partnership as defined in section ~~487.101 or~~ 488.102,  
31 or a limited liability limited partnership under  
32 ~~section 487.1301 or~~ chapter 488, which owns or leases  
33 agricultural land or is engaged in farming.

34 Sec.\_\_\_\_. Section 10B.1, subsection 8, Code  
35 Supplement 2003, is amended to read as follows:

36 8. "Limited partnership" means a foreign or  
37 domestic limited partnership, including a limited  
38 partnership as defined in section ~~487.101, subsection~~  
39 ~~7 or 488.102,~~ and a domestic or foreign limited  
40 liability limited partnership under section 487.1301  
41 or ~~487.1303, or chapter 488.~~

42 Sec.\_\_\_\_. Section 10B.1, subsection 8, Code  
43 Supplement 2003, as amended by this division of this  
44 Act to take effect January 1, 2005, is amended to read  
45 as follows:

46 8. "Limited partnership" means a foreign or  
47 domestic limited partnership, including a limited  
48 partnership as defined in section ~~487.101 or~~ 488.102,  
49 and a domestic or foreign limited liability limited  
50 partnership under ~~section 487.1301 or 487.1303, or~~

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1 chapter 488.

2 Sec.\_\_\_\_. Section 34A.7A, subsection 2, paragraph  
3 f, if enacted by 2004 Iowa Acts, House File 2434, is

4 amended by striking the paragraph and inserting in  
5 lieu thereof the following:  
6 f. (1) The program manager shall allocate an  
7 amount up to one hundred twenty-seven thousand dollars  
8 per calendar quarter equally to the joint E911 service  
9 boards and the department of public safety that have  
10 submitted an annual written request to the program  
11 manager in a form approved by the program manager by  
12 May 15 of each year.  
13 (2) Upon retirement of outstanding obligations  
14 referred to in paragraph "e", the amount allocated  
15 under this paragraph "f" shall be an amount up to four  
16 hundred thousand dollars per calendar quarter  
17 allocated as follows:  
18 (a) Sixty-five percent of the total dollars  
19 available for allocation shall be allocated in  
20 proportion to the square miles of the service area to  
21 the total square miles in this state.  
22 (b) Thirty-five percent of the total dollars  
23 available for allocation shall be allocated in  
24 proportion to the wireless E911 calls taken at the  
25 public safety answering point in the service area to  
26 the total number of wireless E911 calls originating in  
27 this state.  
28 (c) Notwithstanding subparagraph subdivisions (a)  
29 and (b), the minimum amount allocated to each joint  
30 E911 service board and to the department of public  
31 safety shall be no less than one thousand dollars for  
32 each public safety answering point within the service  
33 area of the department of public safety or joint E911  
34 service board.  
35 (3) The funds allocated in this paragraph "f"  
36 shall be used for communication equipment located  
37 inside the public safety answering points for the  
38 implementation and maintenance of wireless E911 phase  
39 2. The joint E911 service boards and the department  
40 of public safety shall provide an estimate of phase 2  
41 implementation costs to the program manager by January  
42 1, 2005.  
43 Sec. \_\_\_\_\_. Section 48A.11, subsection 1, paragraph  
44 e, Code 2003, as amended by 2004 Iowa Acts, Senate  
45 File 2269, section 8, if enacted, is amended to read  
46 as follows:  
47 e. Iowa driver's license number if the registrant  
48 has a current and valid Iowa driver's license, Iowa  
49 nonoperator's identification card if the registrant  
50 has a current and valid Iowa nonoperator's

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1 identification card, or the last four numerals of the  
2 registrant's social security number. If the

3 registrant does not have an Iowa driver's license  
4 number, an Iowa nonoperator's identification card  
5 number, or a social security number, the form shall  
6 provide space for a number to be assigned as provided  
7 in subsection 7.

8 Sec.\_\_\_\_. Section 48A.25A, unnumbered paragraph 1,  
9 if enacted by 2004 Iowa Acts, Senate File 2269,  
10 section 13, is amended to read as follows:

11 Upon receipt of an application for voter  
12 registration by mail, the state registrar of voters  
13 shall compare the driver's license number, the Iowa  
14 nonoperator's identification card number, or the last  
15 four numerals of the social security number provided  
16 by the registrant with the records of the state  
17 department of transportation. To be verified, the  
18 voter registration record shall contain the same name,  
19 date of birth, and driver's license number or Iowa  
20 nonoperator's identification card number or whole or  
21 partial social security number as the records of the  
22 department of transportation. If the information  
23 cannot be verified, the application shall be rejected  
24 and the registrant shall be notified of the reason for  
25 the rejection. If the information can be verified, a  
26 record shall be made of the verification and the  
27 application shall be accepted.

28 Sec.\_\_\_\_. Section 48A.37, subsection 2, Code 2003,  
29 as amended by 2004 Iowa Acts, Senate File 2269,  
30 section 18, if enacted, is amended to read as follows:

31 2. Electronic records shall include a status code  
32 designating whether the records are active, inactive,  
33 local, or pending. Inactive records are records of  
34 registered voters to whom notices have been sent  
35 pursuant to section 48A.28, subsection 3, and who have  
36 not returned the card or otherwise responded to the  
37 notice, and those records have been designated  
38 inactive pursuant to section 48A.29. Local records  
39 are records of applicants who did not answer either  
40 "yes" or "no" to the question in section 48A.11,  
41 subsection 2A, paragraph "a". Pending records are  
42 records of applicants whose applications have not been  
43 verified pursuant to section 48A.25A. All other  
44 records are active records. An inactive record shall  
45 be made active when the registered voter votes at an  
46 election, registers again, or reports a change of  
47 name, address, telephone number, or political party  
48 affiliation. A pending record shall be made active  
49 upon verification. A local record shall be valid for  
50 any election for which no candidates for federal

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1 office appear on the ballot, ~~but the~~ A registrant

2 ~~may with only a local record shall~~ not vote in a  
3 federal election unless the registrant submits a new  
4 voter registration application before election day  
5 indicating that the applicant is a citizen of the  
6 United States.

7 Sec.\_\_\_\_. Section 49.81, subsection 2, unnumbered  
8 paragraph 3, if enacted by 2004 Iowa Acts, Senate File  
9 2269, section 20, is amended to read as follows:

10 You must show identification before your ballot can  
11 be counted. Please bring or mail a copy of a current  
12 and valid photo identification card to the county  
13 ~~commissioners~~ commissioner's office or bring or mail a  
14 copy of one of the following current documents that  
15 show your name and address:

16 Sec.\_\_\_\_. Section 52.7, unnumbered paragraph 4,  
17 Code 2003, as amended by 2004 Iowa Acts, Senate File  
18 2269, section 27, if enacted, is amended to read as  
19 follows:

20 Such machine shall be so constructed as to  
21 accurately account for every vote cast upon it. The  
22 machine shall be so constructed as to remove  
23 information from the ballot identifying the voter  
24 before the ballot is recorded and counted. If the  
25 machine is a direct ~~electronic~~ recording electronic  
26 device, the machine shall be so constructed as to  
27 store each ballot cast separate from the ballot  
28 tabulation function, which ballot may be reproduced on  
29 paper in the case of a recount, manual audit, or  
30 machine malfunction.

31 Sec.\_\_\_\_. Section 53.3, subsection 7, if enacted  
32 by 2004 Iowa Acts, Senate File 2269, section 30, is  
33 amended to read as follows:

34 7. A statement that an absentee ballot will ~~by~~ be  
35 mailed to the applicant within twenty-four hours after  
36 the ballot for the election is available.

37 Sec.\_\_\_\_. Section 53.17, subsection 1, paragraph  
38 a, if enacted by 2004 Iowa Acts, Senate File 2269,  
39 section 33, is amended to read as follows:

40 a. The sealed carrier envelope may be delivered by  
41 the registered voter, by the special precinct election  
42 officials designated pursuant to section 53.22,  
43 subsection 1, or by the voter's designee if the  
44 absentee ballot is voted by a voter described in  
45 section 53.22, subsection 5, to the commissioner's  
46 office no later than the time the polls are closed on  
47 election day, ~~except as otherwise provided in~~  
48 ~~subsection 4.~~

49 Sec.\_\_\_\_. Section 53.17, subsection 4, paragraph  
50 d, subparagraph (2), if enacted by 2004 Iowa Acts,

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1 Senate File 2269, section 33, is amended to read as  
2 follows:

3 (2) The date and time the ~~voted~~ completed absentee  
4 ballot was received from the voter.

5 Sec. \_\_\_\_\_. Section 68A.402, subsection 7, paragraph  
6 b, as amended by 2004 Iowa Acts, House File 2319,  
7 section 1, if enacted, is amended to read as follows:

8 b. COUNTY ELECTIONS. A political committee  
9 expressly advocating the nomination, election, or  
10 defeat of candidates for county office shall file  
11 reports on the same dates as a candidate's committee  
12 is required to file reports under subsection 2,  
13 paragraph "a" and subsection 5, paragraph "b".

14 Sec. \_\_\_\_\_. Section 68A.503, subsection 4,  
15 unnumbered paragraph 1, as amended by 2004 Iowa Acts,  
16 House File 2318, section 7, if enacted, is amended to  
17 read as follows:

18 The prohibitions in ~~sections~~ subsections 1 and 2  
19 shall not apply to an insurance company, savings and  
20 loan association, bank, credit union, or corporation  
21 engaged in any of the following activities:

22 Sec. \_\_\_\_\_. Section 99B.11, subsection 2, paragraph  
23 c, Code 2003, as amended by 2004 Iowa Acts, Senate  
24 File 2249, section 1, is amended to read as follows:

25 c. Contests or exhibitions of cooking,  
26 horticulture, livestock, poultry, fish or other  
27 animals, artwork, hobbywork or craftwork, except those  
28 prohibited by chapter 717A ~~or section 725.11~~.

29 Sec. \_\_\_\_\_. Section 174.1, subsection 0B, paragraph  
30 a, as enacted by House File 2403, section 8, is  
31 amended to read as follows:

32 a. The organization owns or leases at least ten  
33 acres of fairgrounds. ~~A society~~ An organization may  
34 meet the requirement of owning or leasing land,  
35 buildings, and improvements through ownership by a  
36 joint entity under chapter 28E.

37 Sec. \_\_\_\_\_. Section 174.12, subsection 2, unnumbered  
38 paragraph 1, Code 2003, as amended by 2004 Iowa Acts,  
39 House File 2403, section 16, is amended to read as  
40 follows:

41 A district director of the association representing  
42 the district in which the county is located, and the  
43 director of the Iowa state fair board representing the  
44 state fair board district in which the county is  
45 located, certify to the association that the fair had  
46 an accredited delegate in attendance at at least one  
47 of the district meetings, and at the association's  
48 annual meeting.

49 Sec. \_\_\_\_\_. Section 229.27, subsection 1, Code 2003,  
50 is amended to read as follows:

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1 1. Hospitalization of a person under this chapter,  
2 either voluntarily or involuntarily, does not  
3 constitute a finding of nor equate with nor raise a  
4 presumption of incompetency, nor cause the person so  
5 hospitalized to be deemed a person of unsound mind nor  
6 a person under legal disability for any purpose,  
7 including but not limited to any circumstances to  
8 which sections 6B.15, 447.7, 487.402, subsection 5,  
9 paragraph "b", section 488.603, subsection 6,  
10 paragraph "c", sections 487.705, 488.704, 597.6,  
11 600B.21, 614.8, 614.19, 614.22, 614.24, 614.27, and  
12 633.244 are applicable.

13 Sec.\_\_\_\_. Section 229.27, subsection 1, Code 2003,  
14 as amended by this division of this Act to take effect  
15 January 1, 2005, is amended to read as follows:

16 1. Hospitalization of a person under this chapter,  
17 either voluntarily or involuntarily, does not  
18 constitute a finding of nor equate with nor raise a  
19 presumption of incompetency, nor cause the person so  
20 hospitalized to be deemed a person of unsound mind nor  
21 a person under legal disability for any purpose,  
22 including but not limited to any circumstances to  
23 which sections 6B.15, 447.7, ~~487.402, subsection 5,~~  
24 ~~paragraph "b"~~, section 488.603, subsection 6,  
25 paragraph "c", sections 487.705, 488.704, 597.6,  
26 600B.21, 614.8, 614.19, 614.22, 614.24, 614.27, and  
27 633.244 are applicable.

28 Sec.\_\_\_\_. Section 260C.18A, subsection 2,  
29 unnumbered paragraph 1, Code Supplement 2003, is  
30 amended to read as follows:

31 On July 1 of each year for the fiscal year  
32 beginning July 1, 2003, and for every fiscal year  
33 thereafter, moneys from the grow Iowa values fund  
34 created in section 15G.108 are appropriated to the  
35 department of economic development for deposit in the  
36 workforce training and economic development funds in  
37 amounts determined pursuant to subsection ~~3~~ 4. Moneys  
38 deposited in the funds and disbursed to community  
39 colleges for a fiscal year shall be expended for the  
40 following purposes, provided seventy percent of the  
41 moneys shall be used on projects in the areas of  
42 advanced manufacturing, information technology and  
43 insurance, and life sciences which include the areas  
44 of biotechnology, health care technology, and nursing  
45 care technology:

46 Sec.\_\_\_\_. Section 321I.10, if enacted by 2004 Iowa  
47 Acts, Senate File 297, section 53, is amended by  
48 adding the following new subsection:  
49 NEW SUBSECTION. 2A. Cities may designate streets  
50 under the jurisdiction of cities within their

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1 respective corporate limits which may be used for the  
2 sport of driving all-terrain vehicles.

3 Sec.\_\_\_\_. Section 331.606B, subsection 4,  
4 paragraph a, if enacted by 2004 Iowa Acts, Senate File  
5 371, section 3, is amended to read as follows:

6 a. A document or instrument that was signed before  
7 July 1, ~~2004~~ 2005.

8 Sec.\_\_\_\_. Section 488.102, subsection 10,  
9 paragraph a, subparagraph (2), as enacted by 2004 Iowa  
10 Acts, House File 2347, section 2, is amended to read  
11 as follows:

12 (2) A person that was a general partner in a  
13 limited partnership when the limited partnership  
14 became subject to this chapter under section ~~488.1206~~  
15 488.1204, subsection 1 or 2.

16 Sec.\_\_\_\_. Section 488.102, subsection 12,  
17 paragraph a, subparagraph (2), as enacted by 2004 Iowa  
18 Acts, House File 2347, section 2, is amended to read  
19 as follows:

20 (2) A person that was a limited partner in a  
21 limited partnership when the limited partnership  
22 became subject to this chapter under section ~~488.1206~~  
23 488.1204, subsection 1 or 2.

24 Sec.\_\_\_\_. Section 488.102, subsection 13, as  
25 enacted by 2004 Iowa Acts, House File 2347, section 2,  
26 is amended to read as follows:

27 13. "Limited partnership", except in the phrases  
28 "foreign limited partnership" and "foreign limited  
29 liability limited partnership", means an entity,  
30 having one or more general partners and one or more  
31 limited partners, which is formed under this chapter  
32 by two or more persons or becomes subject to this  
33 chapter under article 11 or section ~~488.1206~~ 488.1204,  
34 subsection 1 or 2. The term includes a limited  
35 liability limited partnership.

36 Sec.\_\_\_\_. Section 488.202, subsection 3,  
37 unnumbered paragraph 1, as enacted by 2004 Iowa Acts,  
38 House File 2347, section 20, is amended to read as  
39 follows:

40 A general partner that knows that any information  
41 in a filed certificate of limited partnership was  
42 false when the certificate was filed or has become  
43 false due to changed circumstances shall promptly do  
44 at least one of the following:

45 Sec.\_\_\_\_. Section 488.209, subsection 1, paragraph  
46 c, as enacted by 2004 Iowa Acts, House File 2347,  
47 section 27, is amended to read as follows:

48 c. Whether all fees, taxes, and penalties under  
49 this chapter or other law due ~~to~~ the secretary of  
50 state have been paid.

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1 Sec.\_\_\_\_. Section 488.209, subsection 2, paragraph  
2 c, as enacted by 2004 Iowa Acts, House File 2347,  
3 section 27, is amended to read as follows:

4 c. Whether all fees, taxes, and penalties under  
5 this chapter or other law due ~~to~~ the secretary of  
6 state have been paid.

7 Sec.\_\_\_\_. Section 488.508, subsection 6, as  
8 enacted by 2004 Iowa Acts, House File 2347, section  
9 50, is amended to read as follows:

10 6. A limited partnership's indebtedness, including  
11 indebtedness issued in connection with or as part of a  
12 distribution, is not considered a liability for  
13 purposes of subsection 2 if the terms of the  
14 indebtedness provide that payment of principal and  
15 interest ~~are~~ is made only to the extent that a  
16 distribution could then be made to partners under this  
17 section.

18 Sec.\_\_\_\_. Section 488.703, subsection 1, as  
19 enacted by 2004 Iowa Acts, House File 2347, section  
20 61, is amended to read as follows:

21 1. On application to a court of competent  
22 jurisdiction by any judgment creditor of a partner or  
23 transferee, the court may charge the transferable  
24 interest of the judgment debtor with payment of the  
25 unsatisfied amount of the judgment with interest. To  
26 the extent so charged, the judgment creditor has only  
27 the rights of a transferee. The court may appoint a  
28 receiver of the share of the distributions due or to  
29 become due ~~to~~ the judgment debtor in respect of the  
30 partnership and make all other orders, directions,  
31 accounts, and inquiries the judgment debtor might have  
32 made or which the circumstances of the case may  
33 require to give effect to the charging order.

34 Sec.\_\_\_\_. Section 488.809, subsection 1, paragraph  
35 a, as enacted by 2004 Iowa Acts, House File 2347,  
36 section 72, is amended to read as follows:

37 a. Pay any fee, tax, or penalty under this chapter  
38 or other law due ~~to~~ the secretary of state.

39 Sec.\_\_\_\_. Section 488.906, subsection 1, paragraph  
40 a, as enacted by 2004 Iowa Acts, House File 2347,  
41 section 81, is amended to read as follows:

42 a. Pay, within sixty days after the due date, any  
43 fee, tax or penalty under this chapter or other law  
44 due ~~to~~ the secretary of state.

45 Sec.\_\_\_\_. Section 488.1106, subsection 1,  
46 paragraph a, as enacted by 2004 Iowa Acts, House File  
47 2347, section 94, is amended to read as follows:

48 a. The governing statute of each of the other  
49 organizations authorizes the merger.

50 Sec.\_\_\_\_. Section 504.304, subsection 1, if

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1 enacted by 2004 Iowa Acts, Senate File 2274, section  
2 27, is amended to read as follows:

3 1. Except as provided in subsection 2, the  
4 validity of corporate action ~~may~~ shall not be  
5 challenged on the ground that the corporation lacks or  
6 lacked power to act.

7 Sec.\_\_\_\_. Section 504.854, subsection 3, paragraph  
8 b, if enacted by 2004 Iowa Acts, Senate File 2274,  
9 section 104, is amended to read as follows:

10 b. By the members, but the director who, at the  
11 time does not qualify as a disinterested director, ~~may~~  
12 shall not vote as a member or on behalf of a member.

13 Sec.\_\_\_\_. Section 504.1422, subsection 3, if  
14 enacted by 2004 Iowa Acts, Senate File 2274, section  
15 145, is amended to read as follows:

16 3. A corporation that is administratively  
17 dissolved continues its corporate existence but ~~may~~  
18 shall not carry on any activities except those  
19 necessary to wind up and liquidate its affairs  
20 pursuant to section 504.1406 and notify its claimants  
21 pursuant to sections 504.1407 and 504.1408.

22 Sec.\_\_\_\_. Section 614.37, Code 2003, as amended by  
23 2004 Iowa Acts, House File 2450, section 8, if  
24 enacted, is amended to read as follows:

25 614.37 LIMITATION STATUTES NOT EXTENDED.

26 Nothing contained in this chapter shall be  
27 construed to extend the period for the bringing of an  
28 action or for the doing of any other required act  
29 under any statutes of limitations, nor, except as  
30 herein specifically provided, to effect the operation  
31 of any statutes governing the effect of the recording  
32 or the failure to record any instrument affecting  
33 land. It is intended that nothing contained in this  
34 ~~division~~ chapter be interpreted to revive or extend  
35 the period of filing a claim or bringing an action  
36 that may be limited or barred by any other statute.

37 Sec.\_\_\_\_. Section 669.14, subsection 11,  
38 unnumbered paragraph 1, Code Supplement 2003, as  
39 amended by 2004 Iowa Acts, House File 2347, section  
40 116, is amended to read as follows:

41 Any claim for financial loss based upon an act or  
42 omission in financial regulation, including but not  
43 limited to examinations, inspections, audits, or other  
44 financial oversight responsibilities, pursuant to  
45 chapters 87, 203, 203C, 203D, 421B, 486, ~~or the figure~~  
46 ~~"487"~~ 487, 488, and 490 through 553, excluding  
47 chapters 540A, 542, 542B, 543B, 543C, 543D, 544A, and  
48 544B.

49 Sec.\_\_\_\_. Section 709A.1, subsection 2, paragraph  
50 c, Code 2003, as amended by 2004 Iowa Acts, Senate

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1 File 2249, section 2, is amended to read as follows:

2 c. Any premises the use of which constitutes a  
3 violation of chapter 717A, or section 725.5, or  
4 ~~725.10, or 725.11.~~

5 Sec. \_\_\_\_\_. Section 714.26, subsection 1, paragraph  
6 c, if enacted by 2004 Iowa Acts, House File 2395, is  
7 amended to read as follows:

8 c. "Retail value" means the highest value of an  
9 item determined by any reasonable standard at the time  
10 the item bearing or identified by a counterfeit mark  
11 is seized. If a seized item bearing or identified by  
12 a counterfeit mark is a component of a finished  
13 product, "retail value" also means the highest value,  
14 determined by any reasonable standard, of the finished  
15 product on which the component would have been  
16 utilized. The retail value shall be the retail value  
17 of the aggregate quantity of all items seized which  
18 bear or are identified by a counterfeit mark. For  
19 purposes of this paragraph, reasonable standard  
20 includes but is not limited ~~to~~ to the market value  
21 within the community, actual value, replacement value,  
22 or the counterfeiter's regular selling price for the  
23 item bearing or identified by a counterfeit mark, or  
24 the intellectual property owner's regular selling  
25 price for an item similar to the item bearing or  
26 identified by a counterfeit mark.

27 Sec. \_\_\_\_\_. Section 717E.1, subsection 3, paragraph  
28 a, if enacted by 2004 Iowa Acts, House File 2480,  
29 section 1, is amended to read as follows:

30 a. The annual fair and exposition held by the Iowa  
31 state fair board pursuant to chapter 173 or any fair  
32 ~~held event conducted by a county or district fair or~~  
33 ~~agricultural society~~ under the provisions of chapter  
34 174.

35 Sec. \_\_\_\_\_. Section 812.6, subsection 2, unnumbered  
36 paragraph 1, if enacted by 2004 Iowa Acts, Senate File  
37 2272, section 8, is amended to read as follows:

38 If the court finds by clear and convincing evidence  
39 that the defendant poses a danger to the public peace  
40 or safety, or that the defendant is otherwise not  
41 qualified for pretrial release, or the defendant  
42 refuses to cooperate with treatment, the court shall  
43 commit the defendant to an appropriate inpatient  
44 treatment facility as provided in ~~paragraphs~~ paragraph  
45 "a" ~~and~~ or "b". The defendant shall receive mental  
46 health treatment designed to restore the defendant to  
47 competency.

48 Sec. \_\_\_\_\_. Sections 7D.15, 10D.1, 15.114, 15.221,  
49 15E.64, 18A.11, 84A.1C, 225C.13, 303.3, 331.441,  
50 357A.2, 357A.11, 357A.20, 357A.21, 357A.22A, 357A.23,

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1 357A.24, 425.11, 476.1, 476.27, 480.3, 499.5, 499.5A,  
2 500.3, 504C.1, 514.19, 514.23, and 515.1, Code 2003,  
3 are amended by inserting before the figure "504A" the  
4 following: "504 or", if 2004 Iowa Acts, Senate File  
5 2274 is enacted.

6 Sec.\_\_\_\_. Sections 9H.1, 9H.4, 10B.1, 190C.6,  
7 304A.21, 331.427, 357A.15, 422.45, 490.1701, 504B.1,  
8 504B.6, 513C.10, 514.1, 514.2, 514.5, 616.10, 633.63,  
9 and 716.6B, Code Supplement 2003, are amended by  
10 inserting before the figure "504A" the following:  
11 "504 or", if 2004 Iowa Acts, Senate File 2274 is  
12 enacted.

13 Sec.\_\_\_\_. 2004 Iowa Acts, House File 401, section  
14 1, is amended by striking the section and inserting in  
15 lieu thereof the following:

16 SECTION 1. Section 404A.4, subsection 4, Code  
17 Supplement 2003, is amended to read as follows:

18 4. The total amount of tax credits that may be  
19 approved for a fiscal year under this chapter shall  
20 not exceed two million four hundred thousand dollars.  
21 For the fiscal years beginning July 1, 2005, and July  
22 1, 2006, an additional five hundred thousand dollars  
23 of tax credits may be approved each fiscal year for  
24 purposes of projects located in cultural and  
25 entertainment districts certified pursuant to section  
26 303.3B. Any of the additional tax credits allocated  
27 for projects located in certified cultural and  
28 entertainment districts that are not approved during a  
29 fiscal year may be carried over to the succeeding  
30 fiscal year. ~~Tax credit certificates shall be issued~~  
31 ~~on the basis of the earliest awarding~~ The department  
32 of cultural affairs shall establish by rule the  
33 procedures for the application, review, selection, and  
34 awarding of certifications of completion ~~as provided~~  
35 ~~in subsection 1.~~ The departments of economic  
36 development, cultural affairs, and revenue shall each  
37 adopt rules to jointly administer this subsection and  
38 shall provide by rule for the method to be used to  
39 determine for which fiscal year the tax credits are  
40 ~~approved~~ available.

41 Sec.\_\_\_\_. 2004 Iowa Acts, House File 2562, section  
42 10, subsection 2, if enacted, is amended to read as  
43 follows:

44 2. On and after July 1, 2005, an owner of an  
45 electrical and mechanical amusement device as  
46 described in subsection 1 shall not offer the device  
47 for use by the public. However, the owner of a device  
48 shall be permitted to sell the device to a  
49 distributor, as defined in section 99B.1, as amended  
50 by this Act, or to a person authorized to offer the

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1 device to the public pursuant to section 99B.10,  
2 subsection 4, as amended by this Act for which a class  
3 "A", class "B", class "C", or class "D" liquor control  
4 license ~~or class "B" or class "C" beer permit~~ has been  
5 issued pursuant to chapter 123.

6 Sec.\_\_\_\_. 2004 Iowa Acts, Senate File 2070,  
7 section 35, subsection 1, is amended to read as  
8 follows:

9 1. Except as provided in subsections 2 through 4  
10 6, this Act takes effect January 1, 2005.

11 Sec.\_\_\_\_. The section of 2004 Iowa Acts, House  
12 File 2489, amending section 523A.502, subsection 7, is  
13 repealed if 2004 Iowa Acts, House File 2269, is  
14 enacted.

15 Sec.\_\_\_\_. 2004 Iowa Acts, Senate File 2282,  
16 section 1, if enacted, is amended to read as follows:

17 SECTION 1. LOESS HILLS STUDY AND REPORT. The  
18 loess hills development and conservation authority, in  
19 consultation with the state advisory board for  
20 preserves, shall conduct a comprehensive study to  
21 determine the archaeological and paleontological  
22 significance and the significance of the flora and  
23 fauna of the loess hills and to determine the  
24 feasibility of designating land in the loess hills for  
25 dedication as a state native prairie preserve and of  
26 other various uses of the loess hills. ~~The natural~~  
27 ~~resource commission~~ loess hills development and  
28 conservation authority may accept gifts, grants,  
29 bequests, and other private contributions, as well as  
30 federal, state, or local funds for the purposes of  
31 conducting the study. The loess hills development and  
32 conservation authority and the state advisory board  
33 for preserves shall file a joint report containing  
34 their findings and recommendations with the  
35 legislative services agency by December 15, 2006, for  
36 distribution to the general assembly.

37 Sec.\_\_\_\_. EFFECTIVE AND RETROACTIVE APPLICABILITY  
38 DATES.

39 1. The sections of this division of this Act  
40 amending sections 9H.1 and 10B.1, Code Supplement  
41 2003, and 229.27, Code 2003, take effect January 1,  
42 2005. The sections of this division of this Act  
43 further amending sections 9H.1 and 10B.1, Code  
44 Supplement 2003, and 229.27, Code 2003, as amended by  
45 this division of this Act to take effect January 1,  
46 2005, take effect January 1, 2006.

47 2. The section of this division of this Act  
48 amending section 260C.18A, being deemed of immediate  
49 importance, takes effect upon enactment and applies  
50 retroactively to July 1, 2003.

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1 3. The section of this division of this Act  
2 amending 2004 Iowa Acts, Senate File 2070, being  
3 deemed of immediate importance, takes effect upon  
4 enactment and applies retroactively to the date of  
5 enactment of Senate File 2070.

6 DIVISION

7 COMMUNITY ATTRACTION AND TOURISM FUND

8 Sec. \_\_\_\_\_. Section 15F.204, subsection 3, Code  
9 2003, is amended to read as follows:

10 3. The fund shall be used to provide assistance  
11 only from funds, rights, and assets legally available  
12 to the board in the form of grants, loans, forgivable  
13 loans, and credit enhancements and financing  
14 instruments under the community attraction and tourism  
15 program established in section 15F.202. A project  
16 with a total cost exceeding twenty million dollars may  
17 receive financial assistance under the program. An  
18 applicant under the community attraction and tourism  
19 program shall not receive financial assistance from  
20 the fund in an amount exceeding fifty percent of the  
21 total cost of the project.

22 Sec. \_\_\_\_\_. Section 15F.204, Code 2003, is amended  
23 by adding the following new subsection:

24 NEW SUBSECTION. 8. a. There is appropriated from  
25 the rebuild Iowa infrastructure fund to the community  
26 attraction and tourism fund, the following amounts:

27 (1) For the fiscal year beginning July 1, 2004,  
28 and ending June 30, 2005, the sum of twelve million  
29 dollars.

30 (2) For the fiscal year beginning July 1, 2005,  
31 and ending June 30, 2006, the sum of five million  
32 dollars.

33 (3) For the fiscal year beginning July 1, 2006,  
34 and ending June 30, 2007, the sum of five million  
35 dollars.

36 (4) For the fiscal year beginning July 1, 2007,  
37 and ending June 30, 2008, the sum of five million  
38 dollars.

39 (5) For the fiscal year beginning July 1, 2008,  
40 and ending June 30, 2009, the sum of five million  
41 dollars.

42 (6) For the fiscal year beginning July 1, 2009,  
43 and ending June 30, 2010, the sum of five million  
44 dollars.

45 b. There is appropriated from the franchise tax  
46 revenues deposited in the general fund of the state to  
47 the community attraction and tourism fund, the  
48 following amounts:

49 (1) For the fiscal year beginning July 1, 2005,  
50 and ending June 30, 2006, the sum of seven million

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1 dollars.

2 (2) For the fiscal year beginning July 1, 2006,  
3 and ending June 30, 2007, the sum of seven million  
4 dollars.

5 (3) For the fiscal year beginning July 1, 2007,  
6 and ending June 30, 2008, the sum of seven million  
7 dollars.

8 (4) For the fiscal year beginning July 1, 2008,  
9 and ending June 30, 2009, the sum of seven million  
10 dollars.

11 (5) For the fiscal year beginning July 1, 2009,  
12 and ending June 30, 2010, the sum of seven million  
13 dollars.

14 Notwithstanding the allocation requirements in  
15 subsection 5, the board may make a multiyear  
16 commitment to an applicant of up to four million  
17 dollars in any one fiscal year.

18 DIVISION

19 REGULATORY EFFICIENCY COMMISSION

20 Sec. \_\_\_\_ REGULATORY EFFICIENCY COMMISSION.

21 1. A regulatory efficiency commission is  
22 established for purposes of identifying unneeded  
23 regulations, fines, and fees that hinder business  
24 development. The commission shall also identify  
25 methods for streamlining access to regulatory  
26 information.

27 2. The commission shall consist of eight voting  
28 members appointed by the governor and four ex officio  
29 members.

30 a. The eight voting members appointed by the  
31 governor are subject to the requirements of sections  
32 69.16, 69.16A, and 69.19. The eight members shall  
33 consist of the following:

34 (1) Two members shall be economic development  
35 representatives from two different chambers of  
36 commerce. One shall be from a metropolitan area with  
37 more than fifty thousand people and one shall be from  
38 a metropolitan area with fifty thousand people or  
39 less.

40 (2) Two members representing agricultural  
41 interests.

42 (3) One member representing the Iowa association  
43 of business and industry.

44 (4) Two members representing commercial-based and  
45 manufacturing-based businesses.

46 (5) One member representing the Iowa environmental  
47 council.

48 b. The four ex officio members shall be members of  
49 the general assembly. Two members shall be from the  
50 senate and two members shall be from the house of

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1 representatives, with not more than one member from  
2 each chamber being from the same political party. The  
3 two senators shall be designated by the president of  
4 the senate after consultation with the majority and  
5 minority leaders of the senate. The two  
6 representatives shall be designated by the speaker of  
7 the house of representatives after consultation with  
8 the majority and minority leaders of the house of  
9 representatives. Legislative members shall serve in  
10 an ex officio, nonvoting capacity.

11 3. Meetings of the commission are subject to the  
12 provisions of chapter 21.

13 4. By January 10, 2005, the commission shall  
14 submit a written report to the governor and the  
15 general assembly. The report shall include the  
16 findings and legislative recommendations of the  
17 commission. The report shall be distributed by the  
18 secretary of the senate and the chief clerk of the  
19 house of representatives to the chairpersons and  
20 members of the administrative rules review committee  
21 and the economic growth committees in the senate and  
22 the house of representatives.

23 DIVISION

24 WIND ENERGY TAX CREDITS

25 Sec.\_\_\_\_. NEW SECTION. 422.11J WIND ENERGY  
26 PRODUCTION TAX CREDIT.

27 The taxes imposed under this division, less the  
28 credits allowed under sections 422.12 and 422.12B,  
29 shall be reduced by a wind energy production tax  
30 credit allowed under chapter 476B.

31 Sec.\_\_\_\_. Section 422.33, Code Supplement 2003, is  
32 amended by adding the following new subsection:  
33 NEW SUBSECTION. 16. The taxes imposed under this  
34 division shall be reduced by a wind energy production  
35 tax credit allowed under chapter 476B.

36 Sec.\_\_\_\_. Section 422.60, Code Supplement 2003, is  
37 amended by adding the following new subsection:  
38 NEW SUBSECTION. 9. The taxes imposed under this  
39 division shall be reduced by a wind energy production  
40 tax credit allowed under chapter 476B.

41 Sec.\_\_\_\_. NEW SECTION. 432.12E WIND ENERGY  
42 PRODUCTION TAX CREDIT.

43 The taxes imposed under this chapter shall be  
44 reduced by a wind energy production tax credit allowed  
45 under chapter 476B.

46 Sec.\_\_\_\_. Section 437A.6, subsection 1, paragraph  
47 c, Code 2003, is amended to read as follows:

48 c. Wind energy conversion property subject to  
49 section 427B.26 or eligible for a tax credit under  
50 chapter 476B.

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1 Sec. \_\_\_\_ NEW SECTION. 476B.1 DEFINITIONS.

2 For purposes of this chapter, unless the context  
3 otherwise requires:

4 1. "Board" means the utilities board within the  
5 utilities division of the department of commerce.

6 2. "Department" means the department of revenue.

7 3. "Qualified electricity" means electricity  
8 produced from wind at a qualified facility.

9 4. "Qualified facility" means an electrical  
10 production facility that meets all of the following:

11 a. Produces electricity from wind.

12 b. Is located in Iowa.

13 c. Was originally placed in service on or after

14 July 1, 2004, but before July 1, 2007.

15 Sec. \_\_\_\_ NEW SECTION. 476B.2 GENERAL RULE.

16 The owner of a qualified facility shall, for each  
17 kilowatt-hour of qualified electricity that the owner  
18 sells during the ten-year period beginning on the date  
19 the qualified facility was originally placed in  
20 service, be allowed a wind energy production tax  
21 credit to the extent provided in this chapter against  
22 the tax imposed in chapter 422, divisions II, III, and  
23 V, and chapter 432.

24 Sec. \_\_\_\_ NEW SECTION. 476B.3 CREDIT AMOUNT.

25 1. Except as limited by subsection 2, the wind  
26 energy production tax credit allowed under this  
27 chapter equals the product of one cent multiplied by  
28 the number of kilowatt-hours of qualified electricity  
29 sold by the owner during the taxable year.

30 2. a. The maximum amount of tax credit which a  
31 group of qualified facilities operating as one unit  
32 may receive for a taxable year equals the rate of  
33 credit times thirty-two percent of the total number of  
34 kilowatts of nameplate generating capacity.

35 b. However, if for the previous taxable year the  
36 amount of the tax credit for the group of qualified  
37 facilities operating as one unit is less than the  
38 maximum amount available as provided in paragraph "a",  
39 the maximum amount for the next taxable year shall be  
40 increased by the amount of the previous year's unused  
41 maximum credit.

42 Sec. \_\_\_\_ NEW SECTION. 476B.4 LIMITATIONS.

43 1. a. The wind energy production tax credit shall  
44 not be allowed for any kilowatt-hour of electricity  
45 produced on wind energy conversion property for which  
46 the owner has claimed or otherwise received for that  
47 property the benefit of special valuation under  
48 section 427B.26 or section 441.21, subsection 8, or  
49 the exemption from retail sales tax under section  
50 422.45, subsection 48, or section 423.3, subsection

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1 53, as applicable.

2 b. The disallowance of the tax credit pursuant to  
3 paragraph "a" does not apply to an owner of a  
4 qualified facility that owns, directly or indirectly,  
5 in the aggregate, a total annual turbine nameplate  
6 capacity of all such property of less than one  
7 megawatt. A qualified facility under this paragraph  
8 shall not be owned by more than one person.

9 2. The wind energy production tax credit shall not  
10 be allowed for any kilowatt-hour of electricity that  
11 is sold to a related person. For purpose of this  
12 subsection, persons shall be treated as related to  
13 each other if such persons would be treated as a  
14 single employer under the regulations prescribed under  
15 section 52(b) of the Internal Revenue Code. In the  
16 case of a corporation that is a member of an  
17 affiliated group of corporations filing a consolidated  
18 return, such corporation shall be treated as selling  
19 electricity to an unrelated person if such electricity  
20 is sold to such a person by another member of such  
21 group.

22 Sec. \_\_\_\_. NEW SECTION. 476B.5 APPLICATION FOR  
23 TAX CREDIT CERTIFICATES.

24 1. a. To be eligible to receive the wind energy  
25 production tax credit, the owner must first receive  
26 approval of the board of supervisors of the county in  
27 which the qualified facility is located. The  
28 application for approval may be submitted prior to  
29 commencement of the construction of the qualified  
30 facility but shall be submitted no later than the  
31 close of the owner's first taxable year for which the  
32 credit is to be applied for. The application must  
33 contain the owner's name and address, the address of  
34 the qualified facility, and the dates of the owner's  
35 first and last taxable years for which the credit will  
36 be applied for. Within forty-five days of the receipt  
37 of the application for approval, the board of  
38 supervisors shall either approve or disapprove the  
39 application. After the forty-five-day limit, the  
40 application is deemed to be approved.

41 b. Upon approval of the application, the owner may  
42 apply for the tax credit as provided in subsection 2.  
43 In addition, approval of the application is acceptance  
44 by the applicant for the assessment of the qualified  
45 facility for property tax purposes for a period of  
46 twelve years and approval by the board of supervisors  
47 for the payment of the property taxes levied on the  
48 qualified property to the state. For purposes of  
49 property taxation, the qualified facility shall be  
50 centrally assessed and shall be exempt from any

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1 replacement tax under section 437A.6 for the period  
2 during which the facility is subject to property  
3 taxation. The property taxes to be paid to the state  
4 are those property taxes which make up the  
5 consolidated tax levied on the qualified facility and  
6 which are due and payable in the twelve-year period  
7 beginning with the first fiscal year beginning on or  
8 after the end of the owner's first taxable year for  
9 which the credit is applied for. Upon approval of the  
10 application, the board of supervisors shall notify the  
11 county treasurer to state on the tax statement which  
12 lists the taxes on the qualified facility that the  
13 amount of the property taxes shall be paid to the  
14 department. Payment of the designated property taxes  
15 to the department shall be in the same manner as  
16 required for the payment of regular property taxes and  
17 failure to pay designated property taxes to the  
18 department shall be treated the same as failure to pay  
19 property taxes to the county treasurer.

20 c. Once the owner of the qualified facility  
21 receives approval under paragraph "a", subsequent  
22 approval under paragraph "a" is not required for the  
23 same qualified facility for subsequent taxable years.

24 2. To receive the wind energy production tax  
25 credit, an owner of the qualified facility must submit  
26 an application for a tax credit certificate to the  
27 board not later than thirty days after the close of  
28 the taxable year for which the credit is applied for.  
29 The owner's application must contain, but need not be  
30 limited to, all of the following information: the  
31 owner's name, tax identification number, and address,  
32 the number of kilowatt-hours of qualified electricity  
33 sold by the owner during the preceding taxable year,  
34 the address of the qualified facility at which the  
35 qualified electricity was produced, and the  
36 denomination that each tax credit certificate is to  
37 carry. For the first taxable year for which the  
38 credit is applied for, there shall be attached to the  
39 application a notarized copy of the board of  
40 supervisors' approval as required in subsection 1.

41 3. The board shall, in conjunction with the  
42 department, prescribe appropriate forms, including  
43 board of supervisors' approval forms, and instructions  
44 to enable owners to claim the tax credit allowed under  
45 this chapter. If the board prescribes these forms and  
46 instructions, an owner's application for a tax credit  
47 certificate shall not be valid unless made on and in  
48 accordance with these forms and instructions.

49 Sec. \_\_\_\_\_. NEW SECTION. 476B.6 ISSUANCE OF TAX  
50 CREDIT CERTIFICATES.

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1 1. If the owner meets the criteria for eligibility  
2 for the wind energy production tax credit, the board  
3 shall determine the validity of the application and if  
4 valid, shall approve the application for credit. Once  
5 approval of the credit for a qualified facility is  
6 granted, subsequent approval is not required for the  
7 same qualified facility. However, application is  
8 required to be filed as provided in section 476B.5,  
9 subsection 2, for purposes of the issuance of credit  
10 certificates. The board shall issue one or more tax  
11 credit certificates to the owner not later than thirty  
12 days after the application is submitted to the board.  
13 Each tax credit certificate must contain the owner's  
14 name, address, and tax identification number, amount  
15 of tax credits, the first taxable year the  
16 certificates may be used, which shall not be for a  
17 taxable year beginning prior to July 1, 2005, and the  
18 expiration date of the tax credit certificate, which  
19 shall be seven years from its date of issuance and any  
20 other information required by the department. Once  
21 issued by the board, the tax credit certificate shall  
22 be binding on the board and the department and shall  
23 not be modified, terminated, or rescinded. The board  
24 shall notify the department and identify the qualified  
25 facility for which the owner received tax credit  
26 certificates that property taxes levied on the  
27 qualified facility are to be paid to the department.

28 2. If the tax credit application is filed by a  
29 partnership, limited liability company, S corporation,  
30 estate, trust, or other reporting entity all of the  
31 income of which is taxed directly to its equity  
32 holders or beneficiaries, the tax credit certificate  
33 may, at the election of the owner, be issued directly  
34 to equity holders or beneficiaries of the owner in  
35 proportion to their pro rata share of the income of  
36 such entity. If the owner elects to have the tax  
37 credit certificate issued directly to its equity  
38 holders or beneficiaries, the owner must, in the  
39 application made under section 476B.5, identify its  
40 equity holders or beneficiaries, and the amount of  
41 such entity's income that is allocable to each equity  
42 holder or beneficiary.

43 Sec. \_\_\_\_ NEW SECTION. 476B.7 TRANSFER OF TAX  
44 CREDIT CERTIFICATES.

45 Wind energy production tax credit certificates  
46 issued under this chapter may be transferred to any  
47 person or entity. Within thirty days of transfer, the  
48 transferee must submit the transferred tax credit  
49 certificate to the board along with a statement  
50 containing the transferee's name, tax identification

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1 number, and address, and the denomination that each  
2 replacement tax credit certificate is to carry and any  
3 other information required by the department. Within  
4 thirty days of receiving the transferred tax credit  
5 certificate and the transferee's statement, the board  
6 shall issue one or more replacement tax credit  
7 certificates to the transferee. Each replacement  
8 certificate must contain the information required  
9 under section 476B.6 and must have the same effective  
10 taxable year and the same expiration date that  
11 appeared in the transferred tax credit certificate.  
12 Tax credit certificate amounts of less than the  
13 minimum amount established by rule of the board shall  
14 not be transferable. A tax credit shall not be  
15 claimed by a transferee under this chapter until a  
16 replacement tax credit certificate identifying the  
17 transferee as the proper holder has been issued.  
18 The tax credit shall only be transferred once. The  
19 transferee may use the amount of the tax credit  
20 transferred against the taxes imposed under chapter  
21 422, divisions II, III, and V, and chapter 432 for any  
22 tax year the original transferor could have claimed  
23 the tax credit. Any consideration received for the  
24 transfer of the tax credit shall not be included as  
25 income under chapter 422, divisions II, III, and V.  
26 Any consideration paid for the transfer of the tax  
27 credit shall not be deducted from income under chapter  
28 422, divisions II, III, and V.  
29 Sec.     . NEW SECTION. 476B.8 USE OF TAX CREDIT  
30 CERTIFICATES.  
31 To claim a wind energy production tax credit under  
32 this chapter, a taxpayer must attach one or more tax  
33 credit certificates to the taxpayer's tax return. A  
34 tax credit certificate shall not be used or attached  
35 to a return filed for a taxable year beginning prior  
36 to July 1, 2005. The tax credit certificate or  
37 certificates attached to the taxpayer's tax return  
38 shall be issued in the taxpayer's name, expire on or  
39 after the last day of the taxable year for which the  
40 taxpayer is claiming the tax credit, and show a tax  
41 credit amount equal to or greater than the tax credit  
42 claimed on the taxpayer's tax return. Any tax credit  
43 in excess of the taxpayer's tax liability for the  
44 taxable year may be credited to the taxpayer's tax  
45 liability for the following seven taxable years or  
46 until depleted, whichever is the earlier.  
47 Sec.     . NEW SECTION. 476B.9 REGISTRATION OF  
48 TAX CREDIT CERTIFICATES.  
49 The board shall, in conjunction with the  
50 department, develop a system for the registration of

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1 the wind energy production tax credit certificates  
 2 issued or transferred under this chapter and a system  
 3 that permits verification that any tax credit claimed  
 4 on a tax return is valid and that transfers of the tax  
 5 credit certificates are made in accordance with the  
 6 requirements of this chapter. The tax credit  
 7 certificates issued under this chapter shall not be  
 8 classified as a security pursuant to chapter 502.  
 9 Sec.\_\_\_\_. EFFECTIVE AND APPLICABILITY DATES. This  
 10 division of this Act, being deemed of immediate  
 11 importance, takes effect upon enactment and applies  
 12 retroactively to taxable years beginning on or after  
 13 January 1, 2004.

14 DIVISION

15 LICENSED INTERPRETER FOR THE HEARING IMPAIRED

16 Sec.\_\_\_\_. Section 147.1, subsection 2, paragraph  
 17 c, Code 2003, is amended to read as follows:  
 18 c. "Licensed" or "certified" when applied to a  
 19 physician and surgeon, podiatric physician, osteopath,  
 20 osteopathic physician and surgeon, physician  
 21 assistant, psychologist or associate psychologist,  
 22 chiropractor, nurse, dentist, dental hygienist,  
 23 optometrist, speech pathologist, audiologist,  
 24 pharmacist, physical therapist, occupational  
 25 therapist, respiratory care practitioner, practitioner  
 26 of cosmetology arts and sciences, practitioner of  
 27 barbering, funeral director, dietitian, marital and  
 28 family therapist, mental health counselor, social  
 29 worker, massage therapist, athletic trainer, ~~or~~  
 30 acupuncturist, or interpreter for the hearing  
 31 impaired, means a person licensed under this subtitle.

32 Sec.\_\_\_\_. Section 147.1, subsection 2, paragraph  
 33 f, Code 2003, is amended to read as follows:  
 34 f. "Profession" means medicine and surgery,  
 35 podiatry, osteopathy, osteopathic medicine and  
 36 surgery, practice as a physician assistant,  
 37 psychology, chiropractic, nursing, dentistry, dental  
 38 hygiene, optometry, speech pathology, audiology,  
 39 pharmacy, physical therapy, occupational therapy,  
 40 respiratory care, cosmetology arts and sciences,  
 41 barbering, mortuary science, marital and family  
 42 therapy, mental health counseling, social work,  
 43 dietetics, massage therapy, athletic training, ~~or~~  
 44 acupuncture, or interpreting for the hearing impaired.

45 Sec.\_\_\_\_. Section 147.2, unnumbered paragraph 1,  
 46 Code 2003, is amended to read as follows:  
 47 A person shall not engage in the practice of  
 48 medicine and surgery, podiatry, osteopathy,  
 49 osteopathic medicine and surgery, psychology,  
 50 chiropractic, physical therapy, nursing, dentistry,

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1 dental hygiene, optometry, speech pathology,  
2 audiology, occupational therapy, respiratory care,  
3 pharmacy, cosmetology, barbering, social work,  
4 dietetics, marital and family therapy or mental health  
5 counseling, massage therapy, mortuary science, ~~or~~  
6 acupuncture, or interpreting for the hearing impaired.  
7 or shall not practice as a physician assistant as  
8 defined in the following chapters of this subtitle,  
9 unless the person has obtained from the department a  
10 license for that purpose.  
11 Sec.\_\_\_\_. Section 147.13, Code 2003, is amended by  
12 adding the following new subsection:  
13 NEW SUBSECTION. 21. For interpreters, interpreter  
14 for the hearing impaired examiners.  
15 Sec.\_\_\_\_. Section 147.14, Code 2003, is amended by  
16 adding the following new subsection:  
17 NEW SUBSECTION. 21. For interpreting for the  
18 hearing impaired, four members licensed to practice  
19 interpreting, three of whom shall be practicing  
20 interpreters at the time of appointment to the board  
21 and at least one of whom is employed in an educational  
22 setting; and three members who are consumers of  
23 interpreting services as defined in section 154E.1,  
24 each of whom shall be deaf. A majority of members of  
25 the board constitutes a quorum.  
26 Sec.\_\_\_\_. Section 147.74, Code Supplement 2003, is  
27 amended by adding the following new subsection:  
28 NEW SUBSECTION. 21A. An interpreter licensed  
29 under chapter 154E and this chapter may use the title  
30 "licensed interpreter" or the letters "L.I." after the  
31 person's name.  
32 Sec.\_\_\_\_. Section 147.80, Code Supplement 2003, is  
33 amended by adding the following new subsection:  
34 NEW SUBSECTION. 28A. License to practice  
35 interpreting, license to practice interpreting under a  
36 reciprocal license, or renewal of a license to  
37 practice interpreting.  
38 Sec.\_\_\_\_. NEW SECTION. 154E.1 DEFINITIONS.  
39 As used in this chapter, unless the context  
40 otherwise requires:  
41 1. "Board" means the board of interpreter for the  
42 hearing impaired examiners established in chapter 147.  
43 2. "Consumer" means an individual utilizing  
44 interpreting services who uses spoken English,  
45 American sign language, or a manual form of English.  
46 3. "Department" means the Iowa department of  
47 public health.  
48 4. "Interpreter training program" means a post-  
49 secondary education program training individuals to  
50 interpret or transliterate.

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1 5. "Interpreting" means facilitating communication  
2 between individuals who communicate via American sign  
3 language and individuals who communicate via spoken  
4 English.

5 6. "Licensee" means any person licensed to  
6 practice interpreting or transliterating for deaf,  
7 hard-of-hearing, and hearing individuals in the state  
8 of Iowa.

9 7. "Transliterating" means facilitating  
10 communication between individuals who communicate via  
11 a manual form of English and individuals who  
12 communicate via spoken English.

13 Sec.\_\_\_\_. NEW SECTION. 154E.2 DUTIES OF THE  
14 BOARD.

15 The board shall administer this chapter. The  
16 board's duties shall include, but are not limited to,  
17 the following:

18 1. Adopt rules consistent with this chapter and  
19 with chapter 147 which are necessary for the  
20 performance of its duties.

21 2. Act on matters concerning licensure and the  
22 process of applying for, granting, suspending,  
23 imposing supervisory or probationary conditions upon,  
24 reinstating, and revoking a license.

25 3. Establish and collect licensure fees. The  
26 board shall establish the amounts of license and  
27 renewal fees based upon the actual costs of sustaining  
28 the board and the actual costs of issuing the  
29 licenses, and all fees collected shall be deposited  
30 with the treasurer of state who shall deposit them in  
31 the general fund of the state.

32 4. Administer the provisions of this chapter  
33 regarding documentation required to demonstrate  
34 competence as an interpreter, and the processing of  
35 applications for licenses and license renewals.

36 5. Establish and maintain as a matter of public  
37 record a registry of interpreters licensed pursuant to  
38 this chapter.

39 6. Develop continuing education requirements as a  
40 condition of license renewal.

41 7. Evaluate requirements for licensure in other  
42 states to determine if reciprocity may be granted.

43 Sec.\_\_\_\_. NEW SECTION. 154E.3 REQUIREMENTS FOR  
44 LICENSURE.

45 On or after July 1, 2005, every person providing  
46 interpreting or transliterating services in this state  
47 shall be licensed pursuant to this chapter. The board  
48 shall adopt rules pursuant to chapters 17A, 147, and  
49 272C establishing procedures for the licensing of new  
50 and existing interpreters. Prior to obtaining

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- 1 licensure, an applicant shall successfully pass an
- 2 examination prescribed and approved by the board,
- 3 demonstrating the following:
  - 4 1. VOICE-TO-SIGN INTERPRETATION. An applicant
  - 5 shall demonstrate proficiency at:
    - 6 a. Message equivalence, producing a true and
    - 7 accurate signed form of the spoken message,
    - 8 maintaining the integrity of content and meaning, and
    - 9 exhibiting few omissions, substitutions, or other
    - 10 errors.
    - 11 b. Affect, producing nonmanual grammar consistent
    - 12 with the intent and emotion of the speaker, and
    - 13 exhibiting no distracting mannerisms.
    - 14 c. Vocabulary choice, making correct sign choices
    - 15 appropriate to the setting and consumers, applying
    - 16 facial grammar consistent with sign choice, selecting
    - 17 signs that remain true to speaker's intent, and
    - 18 demonstrating lexical variety.
    - 19 d. Fluency, displaying confidence in production,
    - 20 exhibiting a strong command of American sign language
    - 21 or manual codes for English, applying nonmanual
    - 22 behaviors consistent with the speaker's intent, and
    - 23 demonstrating understanding of and sensitivity to
    - 24 cultural differences.
  - 25 2. SIGN-TO-VOICE INTERPRETATION. An applicant
  - 26 shall demonstrate proficiency at:
    - 27 a. Message equivalence, producing a true and
    - 28 accurate spoken form of the signed message,
    - 29 maintaining the integrity of content and meaning, and
    - 30 exhibiting few omissions, substitutions, or other
    - 31 errors.
    - 32 b. Affect, producing inflection consistent with
    - 33 the intent and emotion of the speaker, and exhibiting
    - 34 no distracting mannerisms.
    - 35 c. Vocabulary choice, making correct word choices
    - 36 appropriate to the setting and consumers, using vocal
    - 37 inflection consistent with word choice, selecting
    - 38 words that remain true to the speaker's intent, and
    - 39 demonstrating lexical variety.
    - 40 d. Fluency, displaying confidence in production,
    - 41 exhibiting a strong command of English in both spoken
    - 42 and written forms, applying vocal inflections
    - 43 consistent with the speaker's intent, and
    - 44 demonstrating understanding of and sensitivity to
    - 45 cultural differences.
  - 46 3. PROFESSIONAL CONDUCT. An applicant shall
  - 47 demonstrate:
    - 48 a. Proficiency in functioning as a communicator of
    - 49 messages between the sender and receiver, and
    - 50 educating consumers of services about the functions

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1 and logistics of the interpreting process.

2 b. An impartial demeanor, refraining from  
3 interjecting opinions or advice and from aligning with  
4 one party over another. An applicant shall treat all  
5 people fairly and respectfully regardless of their  
6 relationship to the interpreting assignment, and  
7 present a professional appearance that is not visually  
8 distracting and is appropriate to the setting. An  
9 applicant shall exhibit knowledge and application of  
10 federal and state laws pertaining to the interpreting  
11 profession.

12 c. Integrity, and shall be proficient in  
13 understanding and applying ethical behavior  
14 appropriate for a licensee. An applicant shall  
15 demonstrate discretion in accepting and meeting  
16 interpreter services requests, and shall engage  
17 actively in lifelong learning.

18 Sec.\_\_\_\_. NEW SECTION. 154E.4 EXCEPTIONS.

19 1. A person shall not practice interpreting or  
20 transliterating, or represent oneself to be an  
21 interpreter, unless the person is licensed under this  
22 chapter.

23 2. This chapter does not prohibit any of the  
24 following:

25 a. Any person residing outside of the state of  
26 Iowa holding a current license from another state that  
27 meets the state of Iowa's requirements from providing  
28 interpreting or transliterating services in this state  
29 for up to fourteen days per calendar year without a  
30 license issued pursuant to this chapter.

31 b. Any person who interprets or transliterates  
32 solely in a religious setting with the exception of  
33 those working in schools that receive government  
34 funding.

35 c. Volunteers working without compensation,  
36 including emergency situations, until a licensed  
37 interpreter is obtained.

38 d. Any person working as a substitute for a  
39 licensed interpreter in an early childhood,  
40 elementary, or secondary education setting for no more  
41 than thirty school days in a calendar year.

42 Sec.\_\_\_\_. Section 272C.1, subsection 6, Code 2003,  
43 is amended by adding the following new paragraph:  
44 NEW PARAGRAPH. ad. The board of interpreter for  
45 the hearing impaired examiners, created pursuant to  
46 chapter 154E.

47 Sec.\_\_\_\_. INTERPRETER STANDARDS AND REGULATIONS.

48 There is appropriated from the general fund of the  
49 state to the Iowa department of public health, for the  
50 fiscal year beginning July 1, 2004, and ending June

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1 30, 2005, the following amount, or so much thereof as  
 2 is necessary, for the purpose designated:  
 3 For protecting the health and safety of the public  
 4 through establishing standards and enforcing  
 5 regulations of interpreters for the deaf, hard-of-  
 6 hearing, and hearing impaired, and for not more than  
 7 the following full-time equivalent positions:  
 8 ..... \$ 60,390  
 9 ..... FTEs 1.00

10 Sec.\_\_\_\_. TRANSITION PROVISIONS.

11 1. The board of interpreter for the hearing  
 12 impaired examiners shall be provisionally established  
 13 as provided in section 147.14, as amended in this  
 14 division of this Act, effective July 1, 2004, for the  
 15 sole purpose of appointment of members and organizing,  
 16 planning, and adopting rules, as described in section  
 17 154E.2, as enacted in this division of this Act, which  
 18 rules shall be effective July 1, 2005. The board  
 19 shall become fully operational July 1, 2007, as  
 20 provided in this division of this Act.

21 2. Applicants for licensure under chapter 154E who  
 22 have not passed a licensure examination approved by  
 23 the board by July 1, 2005, shall be issued a temporary  
 24 license to practice interpreting for a period of two  
 25 years, commencing on July 1, 2005.

26 3. Applicants issued a temporary license pursuant  
 27 to this section shall pass a licensure examination  
 28 approved by the board on or before July 1, 2007, in  
 29 order to remain licensed as an interpreter.

30 Sec.\_\_\_\_. EFFECTIVE DATE. This division of this  
 31 Act providing for the licensing of interpreters by  
 32 amending chapters 147 and 272C and enacting chapter  
 33 154E takes effect July 1, 2005.

34 DIVISION  
 35 INCOME TAX CHECKOFFS  
 36 Sec.\_\_\_\_. NEW SECTION. 100B.13 VOLUNTEER FIRE  
 37 FIGHTER PREPAREDNESS FUND.

38 1. A volunteer fire fighter preparedness fund is  
 39 created as a separate and distinct fund in the state  
 40 treasury under the control of the division of fire  
 41 protection of the department of public safety.

42 2. Revenue for the volunteer fire fighter  
 43 preparedness fund shall include, but is not limited  
 44 to, the following:

45 a. Moneys credited to the fund pursuant to section  
 46 422.12F.

47 b. Moneys in the form of a devise, gift, bequest,  
 48 donation, or federal or other grant intended to be  
 49 used for the purposes of the fund.

50 3. Moneys in the volunteer fire fighter

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1 preparedness fund are not subject to section 8.33.  
2 Notwithstanding section 12C.7, subsection 2, interest  
3 or earnings on moneys in the fund shall be credited to  
4 the fund.

5 4. Moneys in the volunteer fire fighter  
6 preparedness fund are appropriated to the division of  
7 fire protection of the department of public safety to  
8 be used annually to pay the costs of providing  
9 volunteer fire fighter training around the state and  
10 to pay the costs of providing volunteer fire fighting  
11 equipment.

12 Sec.\_\_\_\_. Section 314.28, Code 2003, is reenacted  
13 to read as follows:

14 314.28 KEEP IOWA BEAUTIFUL FUND.

15 A keep Iowa beautiful fund is created in the office  
16 of the treasurer of state. The fund is composed of  
17 moneys appropriated or available to and obtained or  
18 accepted by the treasurer of state for deposit in the  
19 fund. The fund shall include moneys credited to the  
20 fund as provided in section 422.12A. All interest  
21 earned on moneys in the fund shall be credited to and  
22 remain in the fund. Section 8.33 does not apply to  
23 moneys in the fund.

24 Moneys in the fund are subject to appropriation by  
25 the general assembly annually for the purposes of  
26 educating and encouraging Iowans to take greater  
27 responsibility for improving their community  
28 environment and enhancing the beauty of the state  
29 through litter prevention, improving waste management  
30 and recycling efforts, and beautification projects.

31 The department may authorize payment of moneys  
32 appropriated from the fund to the department upon  
33 approval of an application from a private or public  
34 organization. The applicant shall submit a plan for  
35 litter prevention, improving waste management and  
36 recycling efforts, or a beautification project along  
37 with its application. The department shall establish  
38 standards relating to the type of projects available  
39 for assistance.

40 Sec.\_\_\_\_. Section 422.12A, Code Supplement 2003,  
41 is reenacted to read as follows:

42 422.12A INCOME TAX REFUND CHECKOFF FOR KEEP IOWA  
43 BEAUTIFUL FUND.

44 1. A person who files an individual or a joint  
45 income tax return with the department of revenue under  
46 section 422.13 may designate one dollar or more to be  
47 paid to the keep Iowa beautiful fund as created in  
48 section 314.28. If the refund due on the return or  
49 the payment remitted with the return is insufficient  
50 to pay the additional amount designated by the

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1 taxpayer to the keep Iowa beautiful fund, the amount  
2 designated shall be reduced to the remaining amount of  
3 refund or the remaining amount remitted with the  
4 return. The designation of a contribution to the keep  
5 Iowa beautiful fund under this section is irrevocable.

6 2. The director of revenue shall draft the income  
7 tax form to allow the designation of contributions to  
8 the keep Iowa beautiful fund on the tax return. The  
9 department of revenue, on or before January 31, shall  
10 certify the total amount designated on the tax return  
11 forms due in the preceding calendar year and shall  
12 report the amount to the treasurer of state. The  
13 treasurer of state shall credit the amount to the keep  
14 Iowa beautiful fund. However, before a checkoff  
15 pursuant to this section shall be permitted, all  
16 liabilities on the books of the department of revenue  
17 and accounts identified as owing under section 421.17  
18 and the political contribution allowed under section  
19 68A.601 shall be satisfied.

20 3. Moneys in the fund are subject to appropriation  
21 as provided in section 314.28.

22 4. The department of revenue shall adopt rules to  
23 administer this section.

24 5. This section is subject to repeal under section  
25 422.12E.

26 Sec.\_\_\_\_. Section 422.12E, Code Supplement 2003,  
27 is amended to read as follows:

28 422.12E INCOME TAX RETURN CHECKOFFS LIMITED.

29 For tax years beginning on or after January 1, ~~1995~~  
30 2004, there shall be allowed no more than ~~three~~ four  
31 income tax return checkoffs on each income tax return.  
32 When the same ~~three~~ four income tax return checkoffs  
33 have been provided on the income tax return for ~~three~~  
34 two consecutive years, the ~~checkoff~~ two checkoffs for  
35 which the least amount has been contributed, in the  
36 aggregate for the first ~~two tax years~~ year and through  
37 March 15 of the ~~third~~ second tax year, ~~shall be~~ are  
38 repealed. This section does not apply to the income  
39 tax return checkoff provided in section 68A.601.

40 If more checkoffs are enacted in the same session  
41 of the general assembly than there is space for  
42 inclusion on the individual tax return form, the  
43 earliest enacted checkoffs for which there is space  
44 for inclusion on the return form shall be included on  
45 the return form, and all other checkoffs enacted  
46 during that session of the general assembly are  
47 repealed.

48 Sec.\_\_\_\_. NEW SECTION. 422.12F INCOME TAX  
49 CHECKOFF FOR VOLUNTEER FIRE FIGHTER PREPAREDNESS.

50 1. A person who files an individual or a joint

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1 income tax return with the department of revenue under  
2 section 422.13 may designate one dollar or more to be  
3 paid to the volunteer fire fighter preparedness fund  
4 as created in section 100B.13. If the refund due on  
5 the return or the payment remitted with the return is  
6 insufficient to pay the additional amount designated  
7 by the taxpayer to the volunteer fire fighter  
8 preparedness fund, the amount designated shall be  
9 reduced to the remaining amount of refund or the  
10 remaining amount remitted with the return. The  
11 designation of a contribution to the volunteer fire  
12 fighter preparedness fund under this section is  
13 irrevocable.

14 2. The director of revenue shall draft the income  
15 tax form to allow the designation of contributions to  
16 the volunteer fire fighter preparedness fund on the  
17 tax return. The department of revenue, on or before  
18 January 31, shall certify the total amount designated  
19 on the tax return forms due in the preceding calendar  
20 year and shall report the amount to the treasurer of  
21 state. The treasurer of state shall credit the amount  
22 to the volunteer fire fighter preparedness fund.  
23 However, before a checkoff pursuant to this section  
24 shall be permitted, all liabilities on the books of  
25 the department of revenue and accounts identified as  
26 owing under section 421.17 and the political  
27 contribution allowed under section 68A.601 shall be  
28 satisfied.

29 3. The department of revenue shall adopt rules to  
30 administer this section.

31 4. This section is subject to repeal under section  
32 422.12E.

33 Sec.\_\_\_\_. EFFECTIVE AND APPLICABILITY DATES.

34 1. The section of this division of this Act  
35 amending section 422.12E, being deemed of immediate  
36 importance, takes effect upon enactment.

37 2. The sections of this division of this Act  
38 reenacting section 422.12A and enacting section  
39 422.12F apply retroactively to tax years beginning on  
40 or after January 1, 2004.

41 DIVISION

42 STATE TAX IMPLEMENTATION COMMITTEE

43 Sec.\_\_\_\_. STATE TAX IMPLEMENTATION COMMITTEE.

44 1. On or before July 1, 2004, the department of  
45 revenue, in consultation with the department of  
46 management, shall initiate and coordinate the  
47 establishment of a state tax implementation committee.  
48 The department of revenue and the department of  
49 management shall provide staffing assistance to the  
50 committee.

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1 The state tax implementation committee shall  
2 include four members of the general assembly, one each  
3 appointed by the majority leader of the senate, the  
4 speaker of the house of representatives, the minority  
5 leader of the senate, and the minority leader of the  
6 house of representatives. The committee shall also  
7 include members appointed by the department of  
8 revenue. One member shall be appointed to represent  
9 each of the following:  
10 a. The department of revenue.  
11 b. The department of management.  
12 c. Counties  
13 d. Cities.  
14 e. School districts.  
15 f. Local assessors.  
16 g. County auditors.  
17 h. Commercial property taxpayers.  
18 i. Industrial property taxpayers.  
19 j. Residential property taxpayers.  
20 k. Agricultural property taxpayers.  
21 l. Chapter 437A taxpayers.  
22 One additional stakeholder shall be appointed  
23 jointly by the majority leader of the senate and the  
24 speaker of the house of representatives.  
25 Any vacancy shall be filled in the same manner as  
26 regular appointments are made.  
27 The chairpersons of the committee shall be those  
28 members of the general assembly appointed by the  
29 majority leader of the senate and the speaker of the  
30 house of representatives.  
31 The members of the committee representing the  
32 department of revenue and the department of management  
33 are nonvoting, ex officio members.  
34 The committee shall meet quarterly and at other  
35 times as necessary at the call of the chairpersons.  
36 Written notice of the time and place of each meeting  
37 shall be given to each member of the committee. The  
38 only vote taken by the committee shall be the vote  
39 approving the final report in subsection 2.  
40 2. The committee shall review and analyze the  
41 following:  
42 a. Revenue sources available to local governments  
43 and school districts, including taxes, payments in  
44 lieu of property taxes, fees, state appropriations,  
45 and federal moneys.  
46 b. Revenue sources available to the state,  
47 including taxes, fees, and federal moneys, and the  
48 portion of state revenues annually appropriated, or  
49 otherwise disbursed, to local governments.  
50 c. Exemptions, credits, deductions, exclusions,

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1 and other reductions in state or local taxes made  
2 available, by state statute or local ordinance, to  
3 state and local taxpayers; and state reimbursement of  
4 any property tax credits and exemptions.

5 d. Services provided by local governments,  
6 including those provided at the discretion of a local  
7 government and those mandated by federal or state  
8 statutes and regulations.

9 e. The role of property taxes in funding local  
10 government services, the types of services currently  
11 funded by property taxes, and the property tax  
12 financing portion of the school funding formula.

13 f. Alternative systems of property taxation,  
14 alternative procedures for protesting property  
15 assessments, and various methods of controlling  
16 property tax revenues and expenditures.

17 In conducting its review and analysis, the  
18 committee shall study state and local taxes from the  
19 standpoint of neutrality; competitiveness; simplicity;  
20 stability; and equity, including maintenance of equity  
21 among classes of taxpayers and among taxpayers within  
22 the same class.

23 The committee may hold public hearings to allow  
24 persons and organizations to be heard.

25 The committee shall submit a final report to the  
26 general assembly no later than final adjournment of  
27 the 2005 regular legislative session. The report  
28 shall summarize the committee's activities to date,  
29 analyze issues studied to date, and may include such  
30 other information that the committee deems relevant  
31 and necessary.

32 3. The committee may request from any state agency  
33 or official the information and assistance as needed  
34 to perform the review and analysis required in  
35 subsection 2. A state agency or official shall  
36 furnish the information or assistance requested within  
37 the authority and resources of the state agency or  
38 official. This subsection does not allow the  
39 examination or copying of any public record required  
40 by law to be kept confidential.

41 Sec.\_\_\_\_. FUTURE REPEAL. The section of this  
42 division of this Act establishing the state tax  
43 implementation committee is repealed effective June  
44 30, 2005.

45 Sec.\_\_\_\_. 2003 Iowa Acts, First Extraordinary  
46 Session, chapter 1, section 41, is repealed.

47 Sec.\_\_\_\_. EFFECTIVE DATE. This division of this  
48 Act, being deemed of immediate importance, takes  
49 effect upon enactment.

50 DIVISION

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## 1                   911 EMERGENCY

2    Sec. \_\_\_\_ Section 34A.1, Code 2003, is amended to  
3 read as follows:

## 4    34A.1 PURPOSE.

5    The ~~legislature~~ general assembly finds that  
6 enhanced 911 emergency telephone communication systems  
7 and other emergency 911 notification devices further  
8 the public interest and protect the health, safety,  
9 and welfare of the people of Iowa. The purpose of  
10 this chapter is to enable the orderly development,  
11 installation, and operation of enhanced 911 emergency  
12 telephone communication systems and other emergency  
13 911 notification devices statewide. These systems are  
14 to be operated under governmental management and  
15 control for the public benefit.

16    Sec. \_\_\_\_ Section 34A.2, Code 2003, is amended to  
17 read as follows:

## 18    34A.2 DEFINITIONS.

19 As used in this chapter, unless the context  
20 otherwise requires:

21    1. "Access line" means a ~~local an~~ exchange access  
22 line that has the ability to access local dial tone  
23 and reach a local public safety agency answering  
24 point.

25    2. "Administrator" means the ~~E911~~ administrator  
26 appointed pursuant to section 34A.2A of the homeland  
27 security and emergency management division of the  
28 department of public defense.

29    3. "Competitive local exchange service provider"  
30 means the same as defined in section 476.96.

31    4. "Emergency 911 notification device" means a  
32 product capable of accessing a public safety answering  
33 point through the 911 system.

34    ~~3.~~ 5. "Enhanced 911" or "E911" means a service  
35 which that provides the user of a public telephone  
36 system communications service with the ability to  
37 reach a public safety answering point by dialing the  
38 digits 911, and which that has the following  
39 additional features:

40    a. Routes an incoming 911 call to the appropriate  
41 public safety answering point ~~selected from the public~~  
42 ~~safety answering points operating in a 911 service~~  
43 ~~area.~~

44    b. Automatically provides voice, displays the  
45 name, address or location, and telephone number of an  
46 incoming 911 call and public safety agency servicing  
47 ~~the address on a video monitor at the appropriate~~  
48 public safety answering point location.

49    4. ~~6.~~ "Enhanced 911 service area" means the  
50 geographic area to be serviced, or currently serviced

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1 under an enhanced 911 service plan, provided that an  
2 enhanced 911 service area must at minimum encompass  
3 one entire county. The enhanced 911 service area may  
4 encompass more than one county, and need not be  
5 restricted to county boundaries.

6 ~~5.~~ 7. "Enhanced 911 service plan" means a plan  
7 that includes the following information:

8 a. A description of the enhanced 911 service area.

9 b. A list of all public and private safety

10 agencies within the enhanced 911 service area.

11 c. The number of public safety answering points  
12 within the enhanced 911 service area.

13 d. Identification of the agency responsible for  
14 management and supervision of the enhanced 911  
15 emergency ~~telephone~~ communication system.

16 e. A statement of estimated costs to be incurred  
17 by the joint E911 service board or the department of  
18 public safety, including separate estimates of the  
19 following:

20 (1) Nonrecurring costs, including, but not limited  
21 to, public safety answering points, network equipment,  
22 software, database, addressing, initial training, and  
23 other capital and start-up expenditures, including the  
24 purchase or lease of subscriber names, addresses, and  
25 telephone information from the local exchange service  
26 provider.

27 (2) Recurring costs, including, but not limited  
28 to, network access fees and other telephone charges,  
29 software, equipment, and database management, and  
30 maintenance, including the purchase or lease of  
31 subscriber names, addresses, and telephone information  
32 from the local exchange service provider. Recurring  
33 costs shall not include personnel costs for a public  
34 safety answering point.

35 Funds deposited in an E911 service fund ~~shall be~~  
36 are appropriated and shall be used for the payment of  
37 costs ~~which that~~ are limited to nonrecurring and  
38 recurring costs directly attributable to the provision  
39 of 911 emergency telephone communication service and  
40 may include costs for portable and vehicle radios,  
41 communication towers and associated equipment, and  
42 other radios and associated equipment permanently  
43 located at the public safety answering point and as  
44 directed by either the joint E911 service board or the  
45 department of public safety. Costs do not include  
46 expenditures for any other purpose, and specifically  
47 exclude costs attributable to other emergency services  
48 or expenditures for buildings or personnel, except for  
49 the costs of personnel for database management and  
50 personnel directly associated with addressing.

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- 1 f. Current equipment operated by affected local  
2 exchange service providers, and central office  
3 equipment and technology upgrades necessary for the  
4 provider to implement enhanced 911 service within the  
5 enhanced 911 service area ~~on or before July 1, 1992.~~  
6 g. A schedule for implementation of the plan  
7 throughout the E911 service area. The schedule may  
8 provide for phased implementation. ~~However, a joint~~  
9 ~~911 service board may decide not to implement E911~~  
10 ~~service.~~  
11 h. The number of telephone access lines capable of  
12 access to 911 in the enhanced 911 service area.  
13 i. The total property valuation in the enhanced  
14 911 service area.  
15 ~~6. "Enhanced 911 service surcharge" is a charge~~  
16 ~~set by the E911 service area operating authority and~~  
17 ~~assessed on each access line which physically~~  
18 ~~terminates within the E911 service area.~~  
19 8. "Local exchange carrier" means the same as  
20 defined in section 476.96.  
21 ~~7.~~ 9. "Local exchange service provider" means a  
22 person vendor engaged in providing telecommunications  
23 service between points within an exchange and includes  
24 but is not limited to a competitive local exchange  
25 service provider and a local exchange carrier.  
26 10. "Program manager" means the E911 program  
27 manager appointed pursuant to section 34A.2A.  
28 ~~8.~~ 11. "Provider" means a person vendor who  
29 provides, or offers to provide, E911 equipment,  
30 installation, maintenance, or exchange access services  
31 within the enhanced 911 service area.  
32 ~~9.~~ 12. "Public or private safety agency" means a  
33 unit of state or local government, a special purpose  
34 district, or a private firm which provides or has the  
35 authority to provide fire fighting, police, ambulance,  
36 ~~or~~ emergency medical services, or hazardous materials  
37 response.  
38 ~~10.~~ 13. "Public safety answering point" means a  
39 ~~twenty-four hour local jurisdiction~~ twenty-four-hour  
40 public safety communications facility ~~which that~~  
41 receives enhanced 911 service calls and directly  
42 dispatches emergency response services or relays calls  
43 to the appropriate public or private safety agency.  
44 14. "Wireless E911 phase 1" means a 911 call made  
45 from a wireless device in which the wireless service  
46 provider delivers the call-back number and address of  
47 the tower that received the call to the appropriate  
48 public safety answering point.  
49 15. "Wireless E911 phase 2" means a 911 call made  
50 from a wireless device in which the wireless service

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1 provider delivers the call-back number and the  
 2 latitude and longitude coordinates of the wireless  
 3 device to the appropriate public safety answering  
 4 point.

5 16. "Wire-line E911 service surcharge" is a charge  
 6 set by the E911 service area operating authority and  
 7 assessed on each wire-line access line which  
 8 physically terminates within the E911 service area.

9 Sec.\_\_\_\_. Section 34A.2A, Code 2003, is amended to  
 10 read as follows:

11 34A.2A ~~ADMINISTRATOR PROGRAM MANAGER~~ –  
 12 APPOINTMENT – DUTIES.

13 1. The administrator of the division of homeland  
 14 security and emergency management division of the  
 15 department of public defense shall appoint an E911  
 16 ~~administrator program manager~~ to administer this  
 17 chapter.

18 2. The E911 ~~administrator program manager~~ shall  
 19 act under the supervisory control of the administrator  
 20 of the ~~division of homeland security and emergency~~  
 21 management division of the department of public  
 22 defense, and in consultation with the E911  
 23 communications council, and perform the duties  
 24 specifically set forth in this chapter and as assigned  
 25 by the administrator.

26 Sec.\_\_\_\_. Section 34A.3, Code 2003, is amended to  
 27 read as follows:

28 34A.3 ~~JOINT 911 E911 SERVICE BOARD~~ – 911 SERVICE  
 29 PLAN – IMPLEMENTATION – WAIVERS.

30 1. ~~JOINT 911 E911 SERVICE BOARDS TO SUBMIT~~ –  
 31 PLANS.

32 a. The board of supervisors of each county shall  
 33 ~~establish~~ maintain a joint ~~911 E911~~ service board ~~not~~  
 34 ~~later than January 1, 1989.~~

35 (1) Each political subdivision of the state having  
 36 a public safety agency serving territory within the  
 37 county is entitled to voting membership on the joint  
 38 ~~911 E911~~ service board. Each private safety agency  
 39 operating within the area is entitled to nonvoting  
 40 membership on the board.

41 (2) A township ~~which that~~ does not operate its own  
 42 public safety agency, but contracts for the provision  
 43 of public safety services, is not entitled to  
 44 membership on the joint ~~911 E911~~ service board, but  
 45 its contractor is entitled to membership according to  
 46 the contractor's status as a public or private safety  
 47 agency.

48 b. The joint ~~911 E911~~ service board shall ~~develop~~  
 49 maintain an enhanced 911 service plan encompassing at  
 50 minimum the entire county, unless an exemption is

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1 granted by the ~~administrator~~ program manager  
2 permitting a smaller E911 service area.

3 (1) The ~~administrator~~ program manager may grant a  
4 discretionary exemption from the single county minimum  
5 service area requirement based upon ~~an E911~~ a joint  
6 E911 service board's or other E911 service plan  
7 operating authority's presentation of evidence which  
8 supports the requested exemption if the ~~administrator~~  
9 program manager finds that local conditions make  
10 adherence to the minimum standard unreasonable or  
11 technically infeasible, and that the purposes of this  
12 chapter would be furthered by granting an exemption.  
13 The minimum size requirement is intended to prevent  
14 unnecessary duplication of public safety answering  
15 points and minimize other administrative, personnel,  
16 and equipment expenses. ~~An E911 service area must~~  
17 ~~encompass a geographically contiguous area. No~~  
18 ~~exemption shall be granted from the contiguous area~~  
19 ~~requirement.~~

20 (2) The ~~administrator~~ program manager may order  
21 the inclusion of a specific territory in an adjoining  
22 E911 service plan area to avoid the creation by  
23 exclusion of a territory smaller than a single county  
24 not serviced by surrounding E911 service plan areas  
25 upon request of the joint ~~911~~ E911 service board  
26 representing the territory.

27 c. The E911 service plan operating authority shall  
28 submit proposed changes to the plan ~~on or before~~  
29 ~~January 1, 1994~~, to all of the following:

30 a. (1) The ~~administrator~~ program manager.  
31 b. (2) Public and private safety agencies in the  
32 enhanced 911 service area.  
33 e. (3) Providers Local exchange service provide rs  
34 affected by the enhanced 911 service plan.

35 ~~An E911 joint service board that has a state-~~  
36 ~~approved service plan in place prior to July 1, 1993,~~  
37 ~~is exempt from the provisions of this section. The~~  
38 ~~administrator shall establish, by July 1, 1994, E911~~  
39 ~~service plans for those E911 joint service boards~~  
40 ~~which do not have a state approved service plan in~~  
41 ~~place on or before January 1, 1994.~~  
42 ~~The administrator shall prepare a summary of the~~  
43 ~~plans submitted and present the summary to the~~  
44 ~~legislature on or before August 1, 1994.~~

45 2. COMPLIANCE WAIVERS AVAILABLE IN LIMITED  
46 CIRCUMSTANCES.

47 a. The ~~administrator~~ program manager may extend,  
48 ~~in whole or in part,~~ the time period for plan  
49 implementation by issuing for implementation of an  
50 ~~enhanced 911 service plan beyond the scheduled plan of~~

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1 ~~implementation, by issuance~~ of a compliance waiver.  
2 b. The compliance waiver shall be based upon a  
3 joint ~~911 E911~~ service board's presentation of  
4 evidence which supports an extension if the  
5 ~~administrator~~ program manager finds that local  
6 conditions make implementation financially  
7 unreasonable or technically infeasible by the  
8 originally scheduled plan of implementation.  
9 c. The compliance waiver shall be for a set period  
10 of time, and subject to review and renewal or denial  
11 of renewal upon its expiration.  
12 d. The waiver may cover all or a portion of a 911  
13 service plan's enhanced 911 service area to facilitate  
14 phased implementation when possible.  
15 e. The granting of a compliance waiver does not  
16 create a presumption that the identical or similar  
17 waiver will be extended in the future.  
18 f. Consideration of compliance waivers shall be on  
19 a case-by-case basis.  
20 3. CHAPTER 28E AGREEMENT – ALTERNATIVE TO JOINT  
21 ~~911 E911~~ SERVICE BOARD. A legal entity created  
22 pursuant to chapter 28E by a county or counties, other  
23 political divisions, and public or private agencies to  
24 jointly plan, implement, and operate a countywide, or  
25 larger, enhanced 911 service system may be substituted  
26 for the joint ~~911 E911~~ service board required under  
27 subsection 1.  
28 An alternative legal entity created pursuant to  
29 chapter 28E as a substitute for a joint ~~911 E911~~  
30 service board, as permitted by this subsection, may be  
31 created by either:  
32 a. Agreement of the parties entitled to voting  
33 membership on a joint ~~911 E911~~ service board.  
34 b. Agreement of the members of a joint ~~911 E911~~  
35 service board.  
36 An alternative chapter 28E entity has all of the  
37 powers of a joint ~~911 E911~~ service board and any  
38 additional powers granted by the agreement. As used  
39 in this chapter, "joint ~~911 E911~~ service board"  
40 includes an alternative chapter 28E entity created for  
41 that purpose, except as specifically limited by the  
42 chapter 28E agreement or unless clearly provided  
43 otherwise in this chapter. A chapter 28E agreement  
44 related to E911 service shall permit the participation  
45 of a private safety agency or other persons allowed to  
46 participate in a joint ~~911 E911~~ service board, but the  
47 terms, scope, and conditions of participation are  
48 subject to the chapter 28E agreement.  
49 4. PARTICIPATION IN JOINT E911 SERVICE BOARD  
50 REQUIRED. A political subdivision or state agency

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1 having a public safety agency within its territory or  
2 jurisdiction shall participate in a joint E911 service  
3 board and cooperate in ~~preparing~~ maintaining the E911  
4 service plan.  
5 Sec. \_\_\_. Section 34A.4, Code 2003, is amended to  
6 read as follows:  
7 34A.4 ~~REQUIRED CONVERSION REQUIREMENTS OF PAY~~  
8 ~~TELEPHONES AND OTHER TELECOMMUNICATIONS DEVICES TO~~  
9 ~~ALLOW 911 CALLS WITHOUT DEPOSITING COINS OR OTHER~~  
10 ~~CHARGE.~~  
11 ~~1. CONVERSION AND NOTICE REQUIRED. When an~~  
12 ~~enhanced 911 service system becomes operational or as~~  
13 ~~soon as feasible thereafter, each provider or other~~  
14 ~~owner or lessee of a pay station telephone to be~~  
15 ~~operated within the enhanced 911 service area shall do~~  
16 ~~the following:~~  
17 ~~a. Convert each telephone to permit a caller to~~  
18 ~~dial 911 without first inserting a coin or paying any~~  
19 ~~other charge.~~  
20 ~~b. Prominently display on each pay telephone a~~  
21 ~~notice advising callers to dial 911 in an emergency~~  
22 ~~and that deposit of a coin is not required.~~  
23 ~~2. CERTAIN PAY PHONES PROHIBITED WITHIN SERVICE~~  
24 ~~AREA. After commencement of enhanced 911 service in~~  
25 ~~an enhanced 911 service area, a person shall not~~  
26 ~~install or offer for use within the enhanced 911~~  
27 ~~service area a pay station telephone or other fixed~~  
28 ~~device unless the telephone or device is capable of~~  
29 ~~accepting making a 911 call without prior insertion of~~  
30 ~~a coin or payment of any other charge, and unless the~~  
31 ~~telephone or device displays notice of free 911~~  
32 ~~service.~~  
33 Sec. \_\_\_. Section 34A.6, subsection 1, unnumbered  
34 paragraph 1, Code 2003, is amended to read as follows:  
35 Before a joint E911 service board may request  
36 imposition of the surcharge by the ~~administrator~~  
37 program manager, the board shall submit the following  
38 question to voters, as provided in subsection 2, in  
39 the proposed E911 service area, and the question shall  
40 receive a favorable vote from a simple majority of  
41 persons submitting valid ballots on the following  
42 question within the proposed E911 service area:  
43 Sec. \_\_\_. Section 34A.7, unnumbered paragraph 1,  
44 Code 2003, is amended to read as follows:  
45 When an E911 service plan is implemented, the costs  
46 of providing E911 service within an E911 service area  
47 are the responsibility of the joint E911 service board  
48 and the member political subdivisions. Costs in  
49 excess of the amount raised by imposition of the E911  
50 service surcharge provided for under subsection 1,

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1 shall be paid by the joint E911 service board from  
2 such revenue sources allocated among the member  
3 political subdivisions as determined by the joint E911  
4 service board. Funding is not limited to the  
5 surcharge, and surcharge revenues may be supplemented  
6 by other permissible local and state revenue sources.  
7 A joint ~~911~~ E911 service board shall not commit a  
8 political subdivision to appropriate property tax  
9 revenues to fund an E911 service plan without the  
10 consent of the political subdivision. A joint ~~911~~  
11 E911 service board may approve a ~~911~~ E911 service  
12 plan, including a funding formula requiring  
13 appropriations by participating political  
14 subdivisions, subject to the approval of the funding  
15 formula by each political subdivision. However, a  
16 political subdivision may agree in advance to  
17 appropriate property tax revenues or other moneys  
18 according to a formula or plan developed by an  
19 alternative chapter 28E entity.

20 Sec. \_\_\_\_ Section 34A.7, subsections 1, 2, 3, and  
21 4, Code 2003, are amended to read as follows:

22 1. LOCAL WIRE-LINE E911 SERVICE SURCHARGE  
23 IMPOSITION.

24 a. To encourage local implementation of E911  
25 service, one source of funding for E911 emergency  
26 telephone communication systems shall come from a  
27 surcharge per month, per access line on each access  
28 line subscriber, except as provided in subsection 5,  
29 equal to the lowest amount of the following:

30 (1) One dollar.

31 (2) An amount less than one dollar, which would  
32 fully pay both recurring and nonrecurring costs of the  
33 E911 service system within five years from the date  
34 the maximum surcharge is imposed.

35 (3) The maximum monetary limitation approved by  
36 referendum.

37 b. The surcharge shall be imposed by order of the  
38 ~~administrator~~ program manager as follows:

39 (1) The ~~administrator~~ program manager shall notify  
40 a local exchange service provider scheduled to provide  
41 exchange access line service to an E911 service area,  
42 that implementation of an E911 service plan has been  
43 approved by the joint ~~911~~ E911 service board and by  
44 the service area referendum, and that collection of  
45 the surcharge is to begin within one hundred days.

46 (2) The ~~notice shall be provided at least one~~  
47 ~~hundred days before the surcharge must be billed for~~  
48 ~~the first time~~ program manager shall also provide  
49 notice to all affected public safety answering points.

50 e. ~~The surcharge shall terminate at the end of~~

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1 ~~twenty four months, unless either, or both, of the~~  
2 ~~following conditions is met:~~  
3 ~~(1) E911 service is initiated for all or a part of~~  
4 ~~the E911 service area.~~  
5 ~~(2) An extension is granted by the administrator~~  
6 ~~for good cause.~~  
7 ~~d. The surcharge shall terminate at the end of~~  
8 ~~twenty four months if the joint E911 service plan has~~  
9 ~~not been approved by the administrator within eighteen~~  
10 ~~months of the original notice to the provider to~~  
11 ~~impose the surcharge, and shall not be reimposed until~~  
12 ~~a service plan is approved by the administrator and~~  
13 ~~the administrator gives providers notice as required~~  
14 ~~by paragraph "a", subparagraphs (1) and (2).~~  
15 2. SURCHARGE COLLECTED BY LOCAL EXCHANGE SERVICE  
16 PROVIDERS.  
17 a. The surcharge shall be collected as part of the  
18 access line service provider's periodic billing to a  
19 subscriber. In compensation for the costs of billing  
20 and collection, the local exchange service provider  
21 may retain one percent of the gross surcharges  
22 collected. If the compensation is insufficient to  
23 fully recover a local exchange service provider's  
24 costs for billing and collection of the surcharge, the  
25 deficiency shall be included in the local exchange  
26 service provider's costs for ratemaking purposes to  
27 the extent it is reasonable and just under section  
28 476.6. The surcharge shall be remitted to the E911  
29 service operating authority for deposit into the E911  
30 service fund quarterly by the local exchange service  
31 provider. The total amount for multiple exchanges may  
32 be combined.  
33 b. A local exchange service provider is not liable  
34 for an uncollected surcharge for which the local  
35 exchange service provider has billed a subscriber but  
36 not been paid. The surcharge shall appear as a single  
37 line item on a subscriber's periodic billing entitled,  
38 "E911 emergency telephone service surcharge". The  
39 E911 service surcharge is not subject to sales or use  
40 tax.  
41 c. The joint E911 service board may request, not  
42 more than once each quarter, the following information  
43 from the local exchange service provider:  
44 (1) The identity of the exchange from which the  
45 surcharge is collected.  
46 (2) The number of lines to which the surcharge was  
47 applied for the quarter.  
48 (3) The number of refusals to pay per exchange if  
49 applicable.  
50 (4) Write-offs applied per exchange if applicable.

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1 (5) The number of lines exempt per exchange.

2 (6) The amount retained by the local exchange

3 service provider generated from the one percent

4 administration fee.

5 d. Access line counts and surcharge remittances

6 are confidential public records as provided in section

7 34A.8.

8 3. MAXIMUM LIMIT PER SUBSCRIBER BILLING FOR

9 SURCHARGE. An individual subscriber shall not be

10 required to pay on a single periodic billing the

11 surcharge on more than one hundred access lines, or

12 their equivalent, in an E911 service area. A

13 subscriber shall pay the surcharge in each E911

14 service area in which the subscriber receives access

15 line service.

16 4. E911 SERVICE FUND. Each joint E911 service

17 board shall establish and maintain as a separate

18 account an E911 service fund. Any funds remaining in

19 the account at the end of each fiscal year shall not

20 revert to the general funds of the member political

21 subdivisions, except as provided in subsection 5, but

22 shall remain in the E911 service fund. Moneys in an

23 E911 service fund may only be used for nonrecurring

24 and recurring costs of the E911 service plan as

25 approved by the ~~administrator~~ program manager, as

26 those terms are defined by section 34A.2.

27 Sec. \_\_\_\_ Section 34A.7, subsection 5, paragraph

28 b, subparagraphs (2) and (3), Code 2003, are amended

29 to read as follows:

30 (2) If money remains in the fund after fully

31 paying for recurring costs incurred in the preceding

32 year, the remainder may be spent to pay for

33 nonrecurring costs, not to exceed actual nonrecurring

34 costs as approved by the ~~administrator~~ program

35 manager.

36 (3) If money remains in the fund after fully

37 paying obligations under subparagraphs (1) and (2),

38 the remainder may be accumulated in the fund as a

39 carryover operating surplus. If the surplus is

40 greater than twenty-five percent of the approved

41 annual operating budget for the next year, the

42 ~~administrator~~ program manager shall reduce the

43 surcharge by an amount calculated to result in a

44 surplus of no more than twenty-five percent of the

45 planned annual operating budget. After nonrecurring

46 costs have been paid, if the surcharge is less than

47 the maximum allowed and the fund surplus is less than

48 twenty-five percent of the approved annual operating

49 budget, the ~~administrator~~ program manager shall, upon

50 application of the joint E911 service board, increase

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1 the surcharge in an amount calculated to result in a  
2 surplus of twenty-five percent of the approved annual  
3 operating budget. The surcharge may only be adjusted  
4 once in a single year, upon one hundred days' prior  
5 notice to the provider.

6 Sec.\_\_\_\_. Section 34A.7A, subsection 1, Code 2003,  
7 is amended to read as follows:

8 1. a. Notwithstanding section 34A.6, the  
9 administrator shall adopt by rule a monthly surcharge  
10 of up to  ~~fifty~~  sixty-five cents to be imposed on each  
11 wireless communications service number provided in  
12 this state. The surcharge shall be imposed uniformly  
13 on a statewide basis and simultaneously on all  
14 wireless communications service numbers as provided by  
15 rule of the administrator.

16 b. The  ~~administrator~~  program manager shall provide  
17 no less than one hundred days' notice of the surcharge  
18 to be imposed to each wireless communications service  
19 provider. The  ~~administrator~~  program manager, subject  
20 to the  ~~fifty~~  sixty-five cent limit in paragraph "a",  
21 may adjust the amount of the surcharge as necessary,  
22 but no more than once in any calendar year.

23 c. (1) The surcharge shall be collected as part  
24 of the wireless communications service provider's  
25 periodic billing to a subscriber. The surcharge shall  
26 appear as a single line item on a subscriber's  
27 periodic billing indicating that the surcharge is for  
28 E911 emergency telephone service. In the case of  
29 prepaid wireless telephone service, this surcharge  
30 shall be remitted based upon the address associated  
31 with the point of purchase, the customer billing  
32 address, or the location associated with the mobile  
33 telephone number for each active prepaid wireless  
34 telephone that has a sufficient positive balance as of  
35 the last days of the information, if that information  
36 is available. The wireless E911 service surcharge is  
37 not subject to sales or use tax.

38 (2) In compensation for the costs of billing and  
39 collection, the wireless communications service  
40 provider may retain one percent of the gross  
41 surcharges collected.

42 (3) The surcharges shall be remitted quarterly by  
43 the wireless communications service provider to the  
44  ~~administrator~~  program manager for deposit into the  
45 fund established in subsection 2.

46 (4) A wireless communications service provider is  
47 not liable for an uncollected surcharge for which the  
48 wireless communications service provider has billed a  
49 subscriber but which has not been paid. ~~The surcharge~~  
50 ~~shall appear as a single line item on a subscriber's~~

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1 ~~periodic billing indicating that the surcharge is for~~  
2 ~~E911 emergency telephone service. The E911 service~~  
3 ~~surcharge is not subject to sales or use tax.~~

4 Sec. \_\_\_\_ Section 34A.7A, subsection 2, Code 2003,  
5 is amended to read as follows:

6 2. Moneys collected pursuant to subsection 1 shall  
7 be deposited in a separate wireless E911 emergency  
8 communications fund within the state treasury under  
9 the control of the ~~administrator~~ program manager.  
10 Section 8.33 shall not apply to moneys in the fund.  
11 Moneys earned as income, including as interest, from  
12 the fund shall remain in the fund until expended as  
13 provided in this section. Moneys in the fund shall be  
14 expended and distributed ~~annually as follows in the~~  
15 following priority order:

16 a. An amount as appropriated by the general  
17 assembly to the administrator shall be allocated to  
18 the administrator and program manager for  
19 implementation, support, and maintenance of the  
20 functions of the administrator and program manager and  
21 to employ the auditor of state to perform an annual  
22 audit of the wireless E911 emergency communications  
23 fund.

24 b. The program manager shall allocate twenty-one  
25 percent of the total amount of surcharge generated to  
26 wireless carriers to recover their costs to deliver  
27 E911 phase 1 services. If the allocation in this  
28 paragraph is insufficient to reimburse all wireless  
29 carriers for such carrier's eligible expenses, the  
30 program manager shall allocate a prorated amount to  
31 each wireless carrier equal to the percentage of such  
32 carrier's eligible expenses as compared to the total  
33 of all eligible expenses for all wireless carriers for  
34 the calendar quarter during which such expenses were  
35 submitted. When prorated expenses are paid, the  
36 remaining unpaid expenses shall no longer be eligible  
37 for payment under this paragraph.

38 c. The program manager shall reimburse wire-line  
39 carriers on a calendar quarter basis for carriers'  
40 eligible expenses for transport costs between the  
41 selective router and the public safety answering  
42 points related to the delivery of wireless E911 phase  
43 1 services.

44 b. d. (1) The administrator shall retain funds  
45 necessary to reimburse wireless carriers for their  
46 costs to deliver E911 services. The administrator  
47 shall assure that wireless carriers recover all  
48 eligible costs associated with the implementation and  
49 operation of E911 services, including but not limited  
50 to hardware, software, and transport costs. The

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~~1 administrator shall adopt rules defining eligible  
2 costs which are consistent with federal law,  
3 regulations, and any order of a federal agency program  
4 manager shall reimburse wire-line carriers and third-  
5 party E911 automatic location information database  
6 providers on a calendar quarterly basis for the costs  
7 of maintaining and upgrading the E911 components and  
8 functionalities beyond the input to the E911 selective  
9 router, including the E911 selective router and the  
10 automatic location information database.~~

~~11 (2) The administrator shall provide for the  
12 reimbursement of wireless carriers on a quarterly  
13 basis. If the total amount of moneys available in the  
14 fund for the reimbursement of wireless carriers  
15 pursuant to subparagraph (1) is insufficient to  
16 reimburse all wireless carriers for such carriers'  
17 eligible expenses, the administrator shall remit an  
18 amount to each wireless carrier equal to the  
19 percentage of such carrier's eligible expenses as  
20 compared to the total of all eligible expenses for all  
21 wireless carriers for the calendar quarter during  
22 which such expenses were submitted.~~

~~23 e. The program manager shall apply an amount up to  
24 five hundred thousand dollars per calendar quarter to  
25 any outstanding wireless E911 phase 1 obligations  
26 incurred pursuant to this chapter prior to July 1,  
27 2004.~~

~~28 f. (1) The program manager shall allocate an  
29 amount up to one hundred fifty-nine thousand dollars  
30 per calendar quarter equally to the joint E911 service  
31 boards and the department of public safety that have  
32 submitted an annual written request to the program  
33 manager in a form approved by the program manager by  
34 May 15 of each year. The program manager shall  
35 allocate to each joint E911 service board and to the  
36 department of public safety a minimum of one thousand  
37 dollars per calendar quarter for each public safety  
38 answering point within the service area of the  
39 department of public safety or joint E911 service  
40 board.~~

~~41 (2) Upon retirement of outstanding obligations  
42 referred to in paragraph "e", the amount allocated  
43 under this paragraph "f" shall be twenty-four percent  
44 of the total amount of surcharge generated per  
45 calendar quarter allocated as follows:~~

~~46 (a) Sixty-five percent of the total dollars  
47 available for allocation shall be allocated in  
48 proportion to the square miles of the service area to  
49 the total square miles in this state.~~

~~50 (b) Thirty-five percent of the total dollars~~

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1 available for allocation shall be allocated in  
2 proportion to the wireless E911 calls taken at the  
3 public safety answering point in the service area to  
4 the total number of wireless E911 calls originating in  
5 this state.

6 (c) Notwithstanding subparagraph subdivisions (a)  
7 and (b), the minimum amount allocated to each joint  
8 E911 service board and to the department of public  
9 safety shall be no less than one thousand dollars for  
10 each public safety answering point within the service  
11 area of the department of public safety or joint E911  
12 service board.

13 (3) The funds allocated in this paragraph "f"  
14 shall be used for communication equipment located  
15 inside the public safety answering points for the  
16 implementation and maintenance of wireless E911 phase  
17 2. The joint E911 service boards and the department  
18 of public safety shall provide an estimate of phase 2  
19 implementation costs to the program manager by January  
20 1, 2005.

21 e. (1) The remainder of the surcharge collected  
22 shall be remitted to the administrator for  
23 distribution to the joint E911 service boards and the  
24 department of public safety pursuant to subparagraph  
25 (2) to be used for the implementation of enhanced  
26 wireless communications capabilities.

27 g. If moneys remain in the fund after fully paying  
28 all obligations under paragraphs "a" through "f", the  
29 remainder may be accumulated in the fund as a  
30 carryover operating surplus. This surplus shall be  
31 used to fund future phase 2 network and public safety  
32 answering point improvements and wireless carriers'  
33 transport costs related to wireless E911 services, if  
34 those costs are not otherwise recovered by wireless  
35 carriers through customer billing or other sources and  
36 approved by the program manager. Notwithstanding  
37 section 8.33, any moneys remaining in the fund at the  
38 end of each fiscal year shall not revert to the  
39 general fund of the state but shall remain available  
40 for the purposes of the fund.

41 (2) h. The administrator, in consultation with the  
42 program manager and the E911 communications council,  
43 shall adopt rules pursuant to chapter 17A governing  
44 the distribution of the surcharge collected and  
45 distributed pursuant to this lettered paragraph  
46 subsection. The rules shall include provisions that  
47 all joint E911 service boards and the department of  
48 public safety which answer or service wireless E911  
49 calls are eligible to receive an equitable portion of  
50 the receipts.

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1 ~~A joint E911 service board or the department of~~  
2 ~~public safety, to receive funds from the wireless E911~~  
3 ~~emergency communications fund, must submit a written~~  
4 ~~request for such funds to the administrator in a form~~  
5 ~~as approved by the administrator. A request shall be~~  
6 ~~for funding under an approved E911 service plan for~~  
7 ~~equipment which is directly related to the reception~~  
8 ~~and disposition of incoming wireless E911 calls. The~~  
9 ~~administrator may approve the distribution of funds~~  
10 ~~pursuant to such request if the administrator finds~~  
11 ~~that the requested funding is for equipment necessary~~  
12 ~~for the reception and disposition of such calls and~~  
13 ~~that sufficient funds are available for such~~  
14 ~~distribution.~~

15 ~~If insufficient funds are available to fund all~~  
16 ~~requests, the administrator shall fund requests in an~~  
17 ~~order deemed appropriate by the administrator after~~  
18 ~~considering factors including, but not limited to, all~~  
19 ~~of the following:~~

- 20 ~~(a) Documented volume of wireless E911 calls~~  
21 ~~received by each public safety answering point.~~  
22 ~~(b) The population served by each public safety~~  
23 ~~answering point.~~  
24 ~~(c) The number of wireless telephones in the~~  
25 ~~public safety answering point jurisdiction.~~  
26 ~~(d) The public safety of the citizens of this~~  
27 ~~state.~~

28 ~~(e) Any other factor deemed appropriate by the~~  
29 ~~administrator, in consultation with the E911~~  
30 ~~communications council, and adopted by rule.~~

31 ~~(3) 2A. a. The administrator program manager~~  
32 ~~shall submit an annual report by January 15 of each~~  
33 ~~year to the legislative government oversight committee~~  
34 ~~advising the general assembly of the status of E911~~  
35 ~~implementation and operations, including both land-~~  
36 ~~line wire-line and wireless services, and the~~  
37 ~~distribution of surcharge receipts, and an accounting~~  
38 ~~of the revenues and expenses of the E911 program.~~

39 ~~b. The program manager shall submit a calendar~~  
40 ~~quarter report of the revenues and expenses of the~~  
41 ~~E911 program to the fiscal services division of the~~  
42 ~~legislative services agency.~~

43 ~~c. The legislative government oversight committee~~  
44 ~~shall review the priorities of distribution of funds~~  
45 ~~under this chapter at least every two years.~~

46 ~~Sec. \_\_\_\_.~~ Section 34A.7A, subsection 3, Code 2003,  
47 is amended to read as follows:

48 3. The amount collected from a wireless service  
49 provider and deposited in the fund, pursuant to  
50 section 22.7, subsection 6, information provided by a

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1 wireless service provider to the ~~administrator~~ program  
2 manager consisting of trade secrets, pursuant to  
3 section 22.7, subsection 3, and other financial or  
4 commercial operations information provided by a  
5 wireless service provider to the ~~administrator~~ program  
6 manager, shall be kept confidential as provided under  
7 section 22.7. This subsection does not prohibit the  
8 inclusion of information in any report providing  
9 aggregate amounts and information which does not  
10 identify numbers of accounts or customers, revenues,  
11 or expenses attributable to an individual wireless  
12 communications service provider.

13 Sec.\_\_\_\_. Section 34A.8, subsection 2, unnumbered  
14 paragraph 2, Code 2003, is amended to read as follows:  
15 The program manager, joint E911 service board, the  
16 designated E911 service provider, and the public  
17 safety answering point, their agents, employees, and  
18 assigns shall use local exchange service information  
19 provided by the local exchange service provider solely  
20 for the purposes of providing E911 emergency telephone  
21 service, and it shall otherwise be kept confidential.  
22 A person who violates this section is guilty of a  
23 simple misdemeanor.

24 Sec.\_\_\_\_. Section 34A.9, Code 2003, is amended to  
25 read as follows:  
26 34A.9 TELECOMMUNICATIONS DEVICES FOR THE ~~DEAF~~  
27 SPEECH AND HEARING-IMPAIRED.  
28 ~~By January 1, 1990, each county~~ Each public safety  
29 answering point shall provide for the installation and  
30 use of ~~at least one~~ telecommunications device devices  
31 for the ~~deaf at a public safety answering point~~ speech  
32 and hearing-impaired.

33 Sec.\_\_\_\_. NEW SECTION. 34A.10 E911 SELECTIVE  
34 ROUTER.  
35 On and after July 1, 2004, only the program manager  
36 shall approve access to the E911 selective router.

37 Sec.\_\_\_\_. Section 34A.15, Code 2003, is amended by  
38 adding the following new subsection:  
39 NEW SUBSECTION. 1A. The auditor of state or the  
40 auditor of state's designee shall serve as an ex  
41 officio nonvoting member.

42 Sec.\_\_\_\_. Section 34A.15, subsection 2, Code 2003,  
43 is amended to read as follows:  
44 2. The council shall advise and make  
45 recommendations to the administrator and program  
46 manager regarding the implementation of this chapter.  
47 Such advice and recommendations shall be provided on  
48 issues at the request of the administrator or program  
49 manager or as deemed necessary by the council.

50 Sec.\_\_\_\_. Section 16.161, unnumbered paragraph 1,

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1 Code 2003, is amended to read as follows:  
2 The authority shall assist the ~~administrator~~  
3 program manager, appointed pursuant to section 34A.2A,  
4 as provided in chapter 34A, subchapter II, and the  
5 authority shall have all of the powers delegated to it  
6 by a joint E911 service board or the department of  
7 public defense in a chapter 28E agreement with respect  
8 to the issuance and securing of bonds or notes and the  
9 carrying out of the purposes of chapter 34A.

10 DIVISION \_\_\_\_  
11 SEX OFFENDER REGISTRY

12 Sec. \_\_\_\_ Section 22.7, Code Supplement 2003, is  
13 amended by adding the following new subsection:  
14 NEW SUBSECTION. 48. Sex offender registry records  
15 under chapter 692A, except as provided in section  
16 692A.13.

17 Sec. \_\_\_\_ Section 229A.8A, subsection 4, Code  
18 Supplement 2003, is amended to read as follows:

19 4. ~~For purposes of registering as a sex offender~~  
20 ~~under chapter 692A, a person placed in the~~  
21 ~~transitional release program shall be classified a~~  
22 ~~"high risk" sex offender and public notification shall~~  
23 ~~be as provided in section 692A.13A, subsection 2. A~~  
24 committed person who refuses to register as a sex  
25 offender is not eligible for placement in a  
26 transitional release program.

27 Sec. \_\_\_\_ Section 692A.13, Code Supplement 2003,  
28 is amended by striking the section and inserting in  
29 lieu thereof the following:

30 692A.13 AVAILABILITY OF RECORDS.

31 1. The department may provide relevant information  
32 from the sex offender registry to the following:

33 a. A criminal or juvenile justice agency, an  
34 agency of the state, any sex offender registry of  
35 another state, or the federal government.

36 b. The general public through the sex offender  
37 registry's web page, except that relevant information  
38 about an offender who was under twenty years of age at  
39 the time the offender committed a violation of section  
40 709.4, subsection 2, paragraph "c", subparagraph (4),  
41 shall not be disclosed on the web page.

42 c. The single contact repository established  
43 pursuant to section 135C.33, in accordance with the  
44 rules adopted by the department.

45 2. A criminal or juvenile justice agency may  
46 provide relevant information from the sex offender  
47 registry to the following:

48 a. A criminal or juvenile justice agency, an  
49 agency of the state, or any sex offender registry of  
50 another state, or the federal government.

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1 b. The general public, including public and  
2 private agencies, organizations, public places, public  
3 and private schools, child care facilities, religious  
4 and youth organizations, neighbors, neighborhood  
5 associations, community meetings, and employers.  
6 Registry information may be distributed to the public  
7 through printed materials, visual or audio press  
8 releases, or through a criminal or juvenile justice  
9 agency's web page.

10 3. Any member of the public may contact a county  
11 sheriff's office or police department to request  
12 relevant information from the registry regarding a  
13 specific person required to register under this  
14 chapter. The request for information shall be in  
15 writing, and shall include the name of the person and  
16 at least one of the following identifiers pertaining  
17 to the person about whom the information is sought:

- 18 a. The date of birth of the person.  
19 b. The social security number of the person.  
20 c. The address of the person.

21 4. A county sheriff shall also provide to any  
22 person upon request access to a list of all  
23 registrants in that county. However, records of a  
24 person protected under 18 U.S.C. } 3521 shall not be  
25 disclosed.

26 5. Relevant information provided to the general  
27 public may include the offender's name, address, a  
28 photograph, locations frequented by the offender,  
29 relevant criminal history information from the  
30 registry, and any other relevant information.  
31 Relevant information provided to the public shall not  
32 include the identity of any victim.

33 6. Notwithstanding sections 232.147 through  
34 232.151, records concerning convictions which are  
35 committed by a minor may be released in the same  
36 manner as records of convictions of adults.

37 7. Sex offender registry records are confidential  
38 records pursuant to section 22.7 and shall only be  
39 released as provided in this section.

40 Sec.\_\_\_\_. Section 901.4, Code Supplement 2003, is  
41 amended to read as follows:

42 901.4 PRESENTENCE INVESTIGATION REPORT  
43 CONFIDENTIAL – DISTRIBUTION.

44 The presentence investigation report is  
45 confidential and the court shall provide safeguards to  
46 ensure its confidentiality, including but not limited  
47 to sealing the report, which may be opened only by  
48 further court order. At least three days prior to the  
49 date set for sentencing, the court shall serve all of  
50 the presentence investigation report upon the

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1 defendant's attorney and the attorney for the state,  
2 and the report shall remain confidential except upon  
3 court order. However, the court may conceal the  
4 identity of the person who provided confidential  
5 information. The report of a medical examination or  
6 psychological or psychiatric evaluation shall be made  
7 available to the attorney for the state and to the  
8 defendant upon request. The reports are part of the  
9 record but shall be sealed and opened only on order of  
10 the court. If the defendant is committed to the  
11 custody of the Iowa department of corrections and is  
12 not a class "A" felon, a copy of the presentence  
13 investigation report shall be forwarded to the  
14 director with the order of commitment by the clerk of  
15 the district court and to the board of parole at the  
16 time of commitment. Pursuant to section 904.602, the  
17 presentence investigation report may also be released  
18 by the department of corrections or a judicial  
19 district department of correctional services to  
20 another jurisdiction for the purpose of providing  
21 interstate probation and parole compact services or  
22 evaluations, or to a substance abuse or mental health  
23 services provider when referring a defendant for  
24 services. The defendant or the defendant's attorney  
25 may file with the presentence investigation report, a  
26 denial or refutation of the allegations, or both,  
27 contained in the report. The denial or refutation  
28 shall be included in the report. If the person is  
29 sentenced for an offense which requires registration  
30 under chapter 692A, the court shall release the report  
31 to the department ~~which is responsible under section~~  
32 ~~692A.13A for performing the assessment of risk.~~  
33 Sec. \_\_\_\_\_. Section 692A.13A, Code 2003, is  
34 repealed.  
35 Sec. \_\_\_\_\_. APPLICABILITY OF AVAILABLE RECORDS IN  
36 THE SEX OFFENDER REGISTRY. Section 692A.13, as  
37 amended by this division of this Act, shall apply  
38 retroactively to all offenders on the registry.  
39 Sec. \_\_\_\_\_. EFFECTIVE DATE. This division of this  
40 Act, being deemed of immediate importance, takes  
41 effect upon enactment."  
42 \_\_\_\_\_. Title page, by striking lines 1 through 3  
43 and inserting the following: "An Act making,  
44 reducing, and transferring appropriations, providing  
45 for government and economic development-related  
46 taxation, surcharge, and fee matters, providing for  
47 other properly related matters, and including penalty  
48 and effective and retroactive and other applicability  
49 date provisions.""

Speaker pro tempore Carroll in the chair at 4:00 p.m.

Speaker Rants in the chair at 4:06 p.m.

Roll call was requested by Dix of Butler and Murphy of Dubuque.

On the question "Shall amendment [H-8643](#) be adopted?" ([S.F. 2298](#))

The ayes were, 51:

Alons	Arnold	Boal	Boddicker
Boggess	Carroll	Chambers	De Boef
Dennis	Dix	Dolecheck	Drake
Eichhorn	Elgin	Freeman	Gipp
Granzow	Greiner	Hahn	Hanson
Heaton	Hoffman	Horbach	Huseman
Hutter	Jacobs	Jenkins	Jones
Klemme	Kramer	Kurtenbach	Lalk
Lukan	Maddox	Manternach	Olson, S.
Paulsen	Raecker	Rasmussen	Rayhons
Roberts	Sands	Schickel	Struyk
Tjepkes	Tymeson	Upmeyer	Van Engelenhoven
Van Fossen, J.R.	Wilderdyke	Mr. Speaker	
		Rants	

The nays were, 47:

Bell	Berry	Bukta	Cohoon
Connors	Dandekar	Davitt	Fallon
Foege	Ford	Frevert	Gaskill
Greimann	Heddens	Hogg	Hunter
Huser	Jacoby	Jochum	Kuhn
Lensing	Lykam	Mascher	McCarthy
Mertz	Miller	Murphy	Oldson
Olson, D.	Osterhaus	Petersen	Quirk
Reasoner	Shomshor	Shoultz	Smith
Stevens	Swaim	Taylor, D.	Taylor, T.
Thomas	Van Fossen, J.K.	Wendt	Whitaker
Whitead	Winckler	Wise	

Absent or not voting, 2:

Baudler	Watts
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The motion prevailed and the House concurred in the Senate amendment [H-8643](#), to the House amendment.

Dix of Butler moved that the bill, as amended by the House, further amended by the Senate and concurred in by the House, be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" ([S.F. 2298](#))

The ayes were, 52:

Alons	Arnold	Boal	Boddicker
Boggess	Carroll	Chambers	De Boef
Dennis	Dix	Dolecheck	Drake
Eichhorn	Elgin	Freeman	Gipp
Granzow	Greiner	Hahn	Hanson
Heaton	Hoffman	Horbach	Huseman
Hutter	Jacobs	Jenkins	Jones
Klemme	Kramer	Kurtenbach	Lalk
Lukan	Maddox	Manternach	Olson, S.
Paulsen	Raecker	Rasmussen	Rayhons
Roberts	Sands	Schickel	Struyk
Tjepkes	Tymeson	Upmeyer	Van Engelenhoven
Van Fossen, J.K.	Van Fossen, J.R.	Wilderdyke	Mr. Speaker
			Rants

The nays were, 46:

Bell	Berry	Bukta	Cohoon
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Greimann	Heddens	Hogg	Hunter
Huser	Jacoby	Jochum	Kuhn
Lensing	Lykam	Mascher	McCarthy
Mertz	Miller	Murphy	Oldson
Olson, D.	Osterhaus	Petersen	Quirk
Reasoner	Shomshor	Shoultz	Smith
Stevens	Swaim	Taylor, D.	Taylor, T.
Thomas	Wendt	Whitaker	Whitead
Winckler	Wise		

Absent or not voting, 2:

Baudler                      Watts

The bill having received a constitutional majority was declared to have passed the House and the title, as amended, was agreed to.

IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that [Senate File 2298](#) be immediately messaged to the Senate.

REMARKS BY MINORITY LEADER MURPHY

Minority Leader Murphy offered the following remarks:

Thank you, Mr. Speaker.

I want to first thank the members of my caucus for giving me the opportunity to lead them this session. I'm not sure I realized what a difficult and time-consuming job this is, but I have tried to work hard to do everything the job demands.

I want to thank our staff. They do a great job of keeping us informed and prepared.

I also want to thank all the clerks and doorkeepers and backroom staff and pages who make the House run efficiently.

Finally, thanks to the Republican caucus for their service this year. I enjoyed working with Rep. Gipp and Speaker Rants. You had some difficult decisions to make this year and while I did not agree with all of them, I appreciate the hard work you put in.

Democrats came into this session with a handful of goals – to secure adequate funding for public schools and health care, to prevent the state's budget problems from being shifted to property taxpayers, and to provide long-term funding for Iowa's economic development efforts. To a large extent, I am disappointed in the results.

The layoffs and programs cuts being announced at schools all across the state are because the Legislature has not voted for adequate funding. We should have done more to prevent the cuts that will affect schoolchildren this fall, and we could have by using money transferred from the Grow Iowa Values Fund.

For the 05-06 school year, Democrats were initially disappointed with the insufficient funding initially approved by the Legislature. But after the Governor's veto, we were pleased that, for whatever reason, an agreement was reached to support schools at a level that is more in line with their needs.

We didn't fully fund the property tax credits, as property taxpayers were promised we would. Likewise, I am concerned that we have not fully funded all the Medicaid costs which we expect to incur next year. I expect one of the first bills to be considered next year will be a large supplemental to meet our health care obligations to seniors.

And we failed to provide long-term funding for the Grow Iowa Values Fund, which makes it difficult if not impossible for our economic development officials to reach multi-year agreements with high-tech businesses. The solution was easy – bond for the Values Fund – the same solution we passed last year, the solution supported by business organizations, chambers of commerce, and professional developers across the state.

I am concerned about the borrowing and spending in this budget, and at the lack of money in the cash reserve fund. We are very much at risk of repeating the problems we ran into last year when the budget you passed, which was based on what we thought were good estimates, turned out to be a deficit budget, and Governor Vilsack was forced to impose across-the-board cuts to make it balance.

It will make for an uneasy 2005 legislation session. While the economy shows signs of getting better, nothing short of a miraculous recovery can pull the state out of the

hole we face next year. So more tough decisions await the majority party next year, whoever that might be.

I don't want to sound all doom and gloom. We didn't have a marquee bill this year like last year's Grow Iowa Values Fund that was a tremendous bipartisan effort. But we did provide more money for community attractions. We will gather more data on stillbirths. We will get the federal HAVA money we need to modernize our voting systems. We continued the early childhood/class-size reduction and teacher quality programs.

In closing, best wishes to you over the interim. I don't think people understand the sacrifices you make in this job until you have this job and make those sacrifices. Thanks for being willing to put your name on the ballot and for representing your districts to the best of your ability. We'll see you again soon.

### SPECIAL PRESENTATION

J.R. Van Fossen of Scott introduced to the House, Nicole White, Miss Iowa 2003.

The House rose and expressed its welcome.

### REMARKS BY MAJORITY LEADER GIPP

Majority Leader Gipp offered the following remarks:

Ladies and Gentlemen of the House,

Representative Greimann, in her farewell address, referenced her desire to keep her remarks short by just saying goodnight. With that idea no longer being original, I cannot use it; therefore, you'll have to listen to a longer address.

I knew going into this session, that this body would have to deal with continued budget pressures as a result of the accruals not meeting expectations, resulting in an across-the-board cut and taking away our ability to finally fund our shared priorities of public safety and education in this budget year. But as this body has done repeatedly in the past, we found a way to do it by going to our savings account – the Cash Reserve. As one of the few who were here when the Rainy Day Fund was established, use of these monies to get us through tough budget times was the primary reason it was put in place.

As I said on opening day, this body would keep our commitment to public safety and education and we did! In spite of having only an estimated \$12 million in new revenues available for overall spending, we committed over ten times that amount to K-12 education alone. It would be difficult for me to understand how anyone could accuse us of cutting dollars for education, let alone say it was not a priority.

We found new dollars for public safety and corrections as well as community colleges and the independent universities.

We funded the property tax credits in order to not shift costs onto local property tax payers.

We funded our priorities and did so without raising taxes! That is a remarkable feat considering the response from neighboring states to their budget shortfalls was to increase the tax burden on their citizens. We did not and we should be proud of that fact.

In addition to providing for a balanced budget as we are required to do, we put forth initiatives that will have a positive effect on the future of Iowans. We know that we will have to deal with an aging population and the health care costs associated with growing older. That is why the bill we passed to encourage Iowans to purchase long term care insurance is so important. That is why the bill we passed that will give our seniors the information they need to access affordable prescription drugs is so important as they wait for the new federal drug program to kick in.

We provided incentives for Iowans to save for their children's college education as well as provide opportunities for low and moderate-income students to choose private school options.

Last year was the year this legislature concentrated on promoting economic development in our state and assisting businesses to locate or expand their operations in Iowa. Part of the Values Fund provided dollars to aid in this growth and expansion of new businesses. While traveling across Iowa this past summer visiting long time corporate citizens and small businesses, it became clear that simply offering incentives to locate or expand in Iowa was not enough. The businesses that I spoke to were not interested in financial incentives, they simply did not want more barriers put in the way. This session of the legislature heard their pleas and did not throw up more disincentives.

In spite of the gloomy economic conditions with which this session started, we did our job of balancing the budget and funding our priorities.

Many that have spoken before me have thanked all of the people that make this place function as well as it does. I will not repeat those thank yous, but will add my thanks and appreciation for all that you do. You know who you are. Thank you very much!!!

#### REMARKS BY SPEAKER RANTS

##### Speaker Rants offered the following remarks:

Representative Gipp, Representative Murphy, ladies and gentlemen of the House, today is day 100 of the 80<sup>th</sup> General Assembly. It may not feel like it, but we are adjourning right on time.

Two years ago when all of us campaigned for election to the House, I'm sure none of us campaigned for this job expecting that the Iowa Supreme Court would rule Iowa's tax code unconstitutional causing a 160 million dollar plus shortfall in our budget. None of us anticipated a 60 million drop in accruals reducing our revenue estimate for the fourth year in a row. Who would have thought that the Governor would enact yet another round of across the board budget cuts.

These were not conditions of our choosing or making. Yet Iowans have entrusted us to respond to these issues, and not just the ones we campaigned on. It is in the

handling of unforeseen circumstances that leadership is tested, and we passed that test.

Our session began with a steady drumbeat on the part of the Governor to raise taxes. Time and time again, Governor Vilsack called for Iowans to pay more, to take home less. Yet the Governor always ended his pitch for higher taxes with the caveat that if there is a better way, another way, he was willing to listen.

We found that better option. Rather than ask the taxpayers to dig deeper into their wallets, we used the state's cash currently in the bank to fund our priorities.

To Governor Vilsack I'd point out that the priorities we funded are shared by all Iowans. We all agree that education is our most valued public function in our state. Governor, for House Republicans, our commitment to educating our students is not measured solely in allowable growth percentages, and it is time to find another measuring stick. We may prize our community colleges a little more than you do. We think the state should honor our commitment to school districts that choose to participate in the infrastructure pool. We believe a lack of wealth should not be a barrier to attending the school of your choice. We want the state to assist families saving for a college education. These items may not have been on your agenda Governor, but these four bills should all receive your signature.

Governor, we corrected your action from last spring that would have caused every Iowan to pay more on their heating bill this fall. That too, deserves your signature.

This House worked to improve our business climate with changes to our product liability laws, addressed unreasonable supersedeas bonds, and modernized our drug testing laws. We also demonstrated that a body known for protracted debates can be nimble when the need arises, making changes to our NJIP economic development program to keep one of Iowa's best employers.

Assisting Iowa seniors was a key focus for the session. The prescription drug discount assistance program creates a hotline that will help Iowa seniors sign up for drug discount programs to help reduce the cost of prescriptions. [HF 2554](#) should be signed by the Governor. We encouraged Iowans to purchase long term care insurance coverage, with the incentive of protecting assets that otherwise would be used to pay for nursing home care.

The House responded to the challenge rural Iowans are experiencing in finding doctors. The medical malpractice legislation is a modest step toward making our state a place where doctors can afford to practice medicine, and if the Governor is truly concerned about addressing the cost of health care in this state, he will sign that bill as well.

I hesitate to start naming legislators for the work they've done, but Representative Raecker, the work you and all the members of the subcommittee on gaming Representatives Jochum, Jones, Rasmussen, Roberts, Gaskill and Lykum did was just outstanding. Representative Raecker you set a new standard for subcommittee work, and created a process that made everyone; whether they be pro or anti; made everyone comfortable that there would be no surprises and everything was on the up and up.

But, none of us did it alone. We are blessed with great people who work with us. The folks in the well, the folks in all of the back rooms, the Chief Clerks Office, the people crunching numbers, the people drafting amendments, the people proofing the journal. They all continue to work when we walk out of here. I know I was tired leaving the capitol around midnight each night last week, but they were all still here getting things ready for us the next day.

I have to say a special thanks to the Republican Caucus staff. In twelve years, I've never had a better group of people to work with. You all put up with my spur of the moment ideas, and pleas for more information. You're an integral part of our team. As glad as I am to have the Kellies back from maternity leave; and Captain Coonan back from Iraq; I want to thank Marc, Amy and Bernardo for pitching in.

To Kirk, Becky, Tim and Allison, you are the best team I could ever ask for. Just keeping track of me, has to be a job in itself, let alone responding to my stream of consciousness requests.

To my fellow Republican leaders: Gene, Rod, Libby, Carmen, Danny and Ralph, thank you for helping to carry the burden, debating every option, listening to every theoretical and heretical idea out there. Most importantly, thank you for all of the extra time and effort you devoted to our caucus. Mr. Majority Leader, what a couple of years. That, by the way, is how we will all be measured – not just 100 days here, and 100 days there – but on the sum total of two years worth of work. You've been an excellent leader for our caucus and a great friend. A former majority leader once told me that office is the one that has the most fun, I hope you found that to be true. What he didn't say, however, is that it can also be one of the most lonely, and I hope you didn't experience too much of that.

To my fellow Republicans, what a privilege you have allowed me. To sit in this chair, well, it's indescribable. The only promise I made when I asked you for this job, was that I would make mistakes. I've upheld my part of that bargain, and no doubt a few of you are keeping a list. The highest on my own list is I spent too much time working in the capitol at night and haven't spent as much time as I'd like out at night getting to know all of you better.

I have, no doubt, pushed some of you to go in directions you'd prefer not to. Some of you too have prodded me to go in other directions. One of the best definitions of leadership I've heard is that leadership is the ability to disappoint those that have placed their trust in you at a rate they can absorb. I hope that I have not exceeded that limit with any of you.

It is at this point in the session that you look back and ask yourself, what could I have done differently. Probably a lot of things. The shut down of a session is always difficult, particularly in even numbered years.

Winston Churchill once said "The nose of the bulldog has been slanted backwards so he can breathe without letting go." Perhaps that describes me as well, and that is probably one of my mistakes. But its time to let go, and to find a new challenge to tackle.

As we head home let us remember the words of President Ronald Regan when he said, "We in government should learn to look at our country with the eyes of the

entrepreneur, seeing possibilities where others see only problems." Let us keep on the look out for new possibilities for Iowa.

May you all have safe travels home.

**ADOPTION OF [SENATE CONCURRENT RESOLUTION 118](#)**

Gipp of Winneshiek asked and received unanimous consent for the immediate consideration of [Senate Concurrent Resolution 118](#), as follows and moved its adoption:

- 1 [SENATE CONCURRENT RESOLUTION 118](#)
- 2 By: Committee on Rules and Administration
- 3 A Senate Concurrent Resolution to provide for
- 4 adjournment sine die.
- 5 *Be It Resolved by the Senate, The House Concurring,*
- 6 *That* when adjournment is had on Tuesday, April 20,
- 7 2004, it be the final adjournment of the 2004 Regular
- 8 Session of the Eightieth General Assembly.

The motion prevailed and the resolution was adopted.

**REPORT OF THE CHIEF CLERK OF THE HOUSE**

MR. SPEAKER: Pursuant to House Rule 42, I report that in enrolling bills the following corrections were made:

**[House File 2557](#)**

1. Page 65, line 16 – Change sections to section.
2. Page 114, line 8 – Should read “section and inserting” instead of “section the inserting”.

**[House File 2577](#)**

1. Page 6, line 10 – Renumber 6. to 7.
2. Page 6, line 35 – Renumber 7. to 8.
3. Page 11, line 17 – There needs to be two spaces between (4) and the word Notwithstanding.

MARGARET A. THOMSON  
Chief Clerk of the House

## EXPLANATION OF VOTE

I was necessarily absent from the House chamber on Thursday, April 15; Friday, April 16; Monday, April 19 and Tuesday, April 20, 2004. Had I been present, I would have voted "aye" on House Files 2200, 2302, 2390, 2418, 2434, 2455, 2555, 2571, 2574, 2577, 2578. I would have voted "nay" on amendment [H-8585](#) to [House File 2555](#) and "nay" on amendments [H-8618](#) and [H-8622](#) to [House File 2578](#). I would have voted "aye" on [Senate Joint Resolution 2010](#) and "aye" on Senate Files 2215, 2275, 2291, 2298, 2303, 2305, 2306, and 2308 and "aye" on amendments [H-8636](#), [H-8638](#), [H-8640](#) and [H-8643](#) to [Senate File 2298](#) and "nay" on [Senate File 2275](#) and amendment [H-8622](#), and on amendment [H-8641](#) to [Senate File 2298](#).

BAUDLER of Adair

## BILLS ENROLLED, SIGNED AND SENT TO GOVERNOR

The Chief Clerk of the House submitted the following report:

Mr. Speaker: The Chief Clerk of the House respectfully reports that the following bills have been examined and found correctly enrolled, signed by the Speaker of the House and the President of the Senate, and presented to the Governor for his approval on this 20<sup>th</sup> day of April, 2004: House Files 22, 250, 265, 561, 593, 2150, 2186, 2187, 2193, 2200, 2207, 2230, 2243, 2259, 2262, 2269, 2281, 2302, 2319, 2327, 2328, 2352, 2357, 2366, 2367, 2378, 2390, 2392, 2393, 2394, 2395, 2396, 2402, 2418, 2432, 2433, 2440, 2447, 2455, 2460, 2462, 2467, 2471, 2480, 2481, 2484, 2486, 2489, 2505, 2514, 2515, 2518, 2527, 2528, 2530, 2533, 2544, 2549, 2551, 2554, 2555, 2557, 2558, 2559, 2560, 2561, 2562, 2567, 2568, 2569, 2571, 2572, 2573, 2577 and 2579.

MARGARET A. THOMSON  
Chief Clerk of the House

Report adopted.

## BILLS SIGNED BY THE GOVERNOR

A communication was received from the Governor announcing that on April 7, 2004, he approved and transmitted to the Secretary of State the following bills:

[House File 2138](#), an Act relating to payment of legal expenses for indigent persons by the state public defender.

[House File 2149](#), an Act relating to the prosecution of certain simple misdemeanors committed in a city located in two or more counties.

[House File 2318](#), an Act relating to the filing of statements of organization or dissolution by a political or candidate's committee, and regulating campaign and other contributions.

[House File 2350](#), an Act relating to Family Investment Program eligibility requirements involving motor vehicle equity, family investment plans, limited benefit plans, and required school attendance and including an applicability provision.

[House File 2358](#), an Act providing for technical and substantive changes relating to the practice of cosmetology, establishing penalties, and making penalties applicable.

[House File 2452](#), an Act providing for licensure requirements relating to the practice of athletic training and increasing a penalty.

[House File 2520](#), an Act relating to purchasing preferences for Iowa-based products and services.

**Also: the Governor announcing that on April 20, 2004, he approved and transmitted to the Secretary of State the following bills:**

[House File 2401](#), an Act relating to the Comprehensive Petroleum Underground Storage Tank Fund and providing an effective date.

[House File 2475](#), an Act relating to persons doing business as swine dealers and persons engaged in the business of buying or selling feeder pigs and providing an effective date.

[House File 2541](#), an Act relating to utility replacement taxes by redefining major additions for purposes of allocating replacement taxes to taxing districts, requiring certain taxpayers to report estimated replacement taxes, and changing or establishing certain reporting dates and including effective and retroactive applicability date provisions.

[Senate File 2179](#), an Act relating to ethics laws and the Iowa Ethics Campaign Disclosure Board.

[Senate File 2289](#), an Act relating to various duties of the county treasurer and to certain fees collected by the county treasurer.

[Senate File 2306](#), an Act relating to civil action appeal bonds and including monetary limits, and including an effective and applicability date provisions.

#### COMMUNICATIONS RECEIVED

The following communications were received and filed in the office of the Chief Clerk:

DEPARTMENT OF INSPECTIONS AND APPEALS  
Iowa Racing and Gaming Commission

2003 Annual Report, pursuant to Chapter 99D.5, Code of Iowa.

IOWA COLLEGE STUDENT AID

Annual Report for the 2002-2003 fiscal year, pursuant to Chapter 261, Code of Iowa.

MARGARET A. THOMSON  
Chief Clerk of the House

CERTIFICATES OF RECOGNITION

MR. SPEAKER: The Chief Clerk of the House respectfully reports that certificates of recognition have been issued as follows.

MARGARET A. THOMSON  
Chief Clerk of the House

- 2004\1517 Bob and Faith Walters, Eldora – For celebrating their 55<sup>th</sup> wedding anniversary.
- 2004\1518 Norma and Alvin Johnson, Ackley – For celebrating their 50<sup>th</sup> wedding anniversary.
- 2004\1519 Shirley McCarthy, Eldora – For celebrating her 90<sup>th</sup> birthday.
- 2004\1520 Leland Weuve, State Center – For celebrating his 90<sup>th</sup> birthday.
- 2004\1521 Wilbur and Ida Mae Schultz, Elkader – For celebrating their 60<sup>th</sup> wedding anniversary.
- 2004\1522 Bobbi Peake, Arlington – For celebrating her 90<sup>th</sup> birthday.
- 2004\1523 Marvin Helmrichs, Manchester – For celebrating his 80<sup>th</sup> birthday.
- 2004\1524 Eleanor Loftsgard, Elgin – For celebrating her 80<sup>th</sup> birthday.
- 2004\1525 Willa Howson, DeWitt – For celebrating her 99<sup>th</sup> birthday.
- 2004\1526 Helen Knoche, Grand Mound – For celebrating her 85<sup>th</sup> birthday.
- 2004\1527 Glenn and Thelma Teisinger, Denver – For celebrating their 70<sup>th</sup> wedding anniversary.
- 2004\1528 Harold Irwin, Calamus – For celebrating his 80<sup>th</sup> birthday.
- 2004\1529 Ronald L. and Margery Meyer, Sumner – For celebrating their 58<sup>th</sup> wedding anniversary.

- 2004\1530 Lucile E. Woods, Sheldon – For celebrating her 100<sup>th</sup> birthday.
- 2004\1531 Caitlin Stewart, Sibley – For being selected as a U.S. National Award Winner in History and Government.
- 2004\1532 Herb and Marie Blum, Westphalia – For celebrating their 65<sup>th</sup> wedding anniversary.
- 2004\1533 Johanna Erickson, Spencer – For celebrating her 90<sup>th</sup> birthday.
- 2004\1534 Dick Hansen, Spencer – For celebrating his 90<sup>th</sup> birthday.
- 2004\1535 Leonard Meyer, Sheffield – For celebrating his 90<sup>th</sup> birthday.
- 2004\1536 Marilyn Bechtel, Hampton – For celebrating her 80<sup>th</sup> birthday.
- 2004\1537 Molly Steenhard, Hampton – For celebrating her 90<sup>th</sup> birthday.
- 2004\1538 Maryls Vulgamott, Webster City – For celebrating her 92<sup>nd</sup> birthday.
- 2004\1539 Dorothy Stearns, Webster City – For celebrating her 80<sup>th</sup> birthday.
- 2004\1540 Cathryn Powers, Duncombe – For celebrating her 80<sup>th</sup> birthday.
- 2004\1541 Phyllis Elwood, Eagle Grove – For celebrating her 80<sup>th</sup> birthday.
- 2004\1542 Larry and Carolyn Iles, Stratford – For celebrating their 50<sup>th</sup> wedding anniversary.
- 2004\1543 Leon Mosley, Waterloo – For being named “Ambassador for Peace” in Washington, D.C.
- 2004\1544 Jake and Janet Boelman, Belmond – For celebrating their 60<sup>th</sup> wedding anniversary.
- 2004\1545 Norma Schmidt, Amana – For celebrating her 90<sup>th</sup> birthday.
- 2004\1546 Rachael and Ross Kimm, Blairstown – For celebrating their 65<sup>th</sup> wedding anniversary.
- 2004\1547 Florence Stineford, Keystone – For celebrating her 98<sup>th</sup> birthday.
- 2004\1548 Midge and Bill Albert, East Amana – For celebrating their 50<sup>th</sup> wedding anniversary.
- 2004\1549 Lores and Orlin Hochstetler, Williamsburg – For celebrating their 50<sup>th</sup> wedding anniversary.
- 2004\1550 Hollis Moseley, Cedar Falls – For celebrating his 100<sup>th</sup> birthday.
- 2004\1551 Ronald Mason, Chariton – For celebrating his 90<sup>th</sup> birthday.

- 2004\1552 Dorothy Mason, Chariton – For celebrating her 80<sup>th</sup> birthday.
- 2004\1553 Lorraine Barfels, Belle Plaine – For celebrating her 90<sup>th</sup> birthday.
- 2004\1554 Evelyn Brockway, Brandon – For celebrating her 90<sup>th</sup> birthday.
- 2004\1555 Jesse and Arlene Craun, Toledo – For celebrating their 50<sup>th</sup> wedding anniversary.
- 2004\1556 Frank and Pat Kester, Grinnell – For celebrating their 50<sup>th</sup> wedding anniversary.
- 2004\1557 Marion and Marie Slagle, Fremont – For celebrating their 68<sup>th</sup> wedding anniversary.
- 2004\1558 Dan and Jean Grimes, Dubuque – For celebrating their 50<sup>th</sup> wedding anniversary.
- 2004\1559 Henry Lanser, Oskaloosa – For celebrating his 85<sup>th</sup> birthday.
- 2004\1560 Iva Keniston, Oelwein – For celebrating her 90<sup>th</sup> birthday.
- 2004\1561 Leo Fox, Oskaloosa – For celebrating his 90<sup>th</sup> birthday.
- 2004\1562 Loretta Treptow, Oelwein – For celebrating her 80<sup>th</sup> birthday.
- 2004\1563 Henrietta Groenenboom, Oskaloosa – For celebrating her 80<sup>th</sup> birthday.
- 2004\1564 Tom Jones, Oskaloosa – For celebrating his 80<sup>th</sup> birthday.
- 2004\1565 Oren James, Oskaloosa – For celebrating his 95<sup>th</sup> birthday.
- 2004\1566 Reba Kiefer, Oskaloosa – For celebrating her 90<sup>th</sup> birthday.
- 2004\1567 Evelyn and Tony Bentler, Mt. Pleasant – For celebrating their 50<sup>th</sup> wedding anniversary.

#### RESOLUTION FILED

[\*\*HCR 127\*\*](#), by Rants and Murphy, a house concurrent resolution to provide for adjournment sine die.

Laid over under **Rule 25**.

The House stood at ease at 5:21 p.m., until the fall of the gavel.

The House resumed session at 2:08 p.m., Speaker Rants in the chair.

### FINAL DISPOSITION OF MOTION TO RECONSIDER

Pursuant to House Rule 73.7, the following motion to reconsider which remained on the House Calendar upon adjournment of the 2004 Regular Session of the Eightieth General Assembly will be considered to have failed:

By Gipp of Winneshiek to [Senate File 2305](#), a bill for an act relating to Iowa individual income tax checkoffs, providing an income tax checkoff for volunteer fire fighter preparedness, providing an income tax checkoff for the keep Iowa beautiful fund, relating to the limitation on income tax checkoffs, and including effective and retroactive applicability date provisions and amendment [H-8602](#) (found on pages 1565 through 1566 of the House Journal) filed on April 19, 2004.

Gipp of Winneshiek moved that the Governor be notified that the House was ready to adjourn in accordance with [Senate Concurrent Resolution 118](#), duly adopted.

The motion prevailed and the Governor was messaged.

### FINAL ADJOURNMENT

By virtue of [Senate Concurrent Resolution 118](#), duly adopted, the day of April 20, 2004 having arrived, the Speaker of the House of Representatives declared the 2004 Regular Session of the Eightieth General Assembly adjourned sine die.

**SUPPLEMENT TO HOUSE JOURNAL****BILLS APPROVED, VETOED, OR ITEM VETOED  
SUBSEQUENT TO ADJOURNMENT**

The following is a record of the action of the Governor on bills passed by the 2004 Regular Session of the Eightieth General Assembly and which action was had subsequent to the date of final adjournment.

- [H.F. 22](#)- Relating to the awarding of joint physical care of a child. Approved 5-19-04.
- [H.F. 250](#)- Relating to the criminal penalties for an assault on members of certain occupations. Approved 5-6-04.
- [H.F. 265](#)- Relating to the withdrawal of blood without a warrant from a person under arrest for an operating-while-intoxicated offense when the arrest results from a traffic accident resulting in death or personal injury reasonably likely to cause death. Approved 4-26-04.
- [H.F. 561](#)- Creating the crime of invasion of privacy, and providing a penalty. Approved 4-26-04.
- [H.F. 593](#)- Relating to elections and voter registration by providing for nonpartisan election of township offices, allowing nomination petitions to be signed on both sides of paper, removing the requirement that judges' names be rotated on certain ballots, relating to use of substitute precinct election officials, relating to use of voting machine or paper ballots at certain elections, modifying opening and closing hours of the polls at certain elections, providing for destruction of certain ballots, relating to the abstract of votes for county offices, providing for use of certain voting machines at satellite absentee voting stations, relating to observers present when ballots are counted, allowing absentee voting at the commissioner's office for certain elections, and relating to persons nominated for city office by write-in votes. Vetoed 5-14-04. See Governor's Veto Message.
- [H.F. 2150](#)- Establishing a child endangerment offense for permitting the presence of a child or minor at a location where a controlled substance manufacturing or product possession violation occurs and providing a penalty. Approved 5-11-04.
- [H.F. 2186](#)- Increasing the damages payable upon conviction of certain unlawful activities involving antlered deer. Approved 5-3-04.
- [H.F. 2187](#)- Providing for the elimination of an examination requirement as a prerequisite for being designated a registered dental assistant. Vetoed 5-14-04. See Governor's Veto Message.

- [H.F. 2193](#)– Relating to determining compliance with course of study requirements regarding cosmetology licensure. Approved 4-26-04.
- [H.F. 2200](#)– Relating to fire safety issues, including the establishment of a fire extinguishing system contractor certification program in the office of the State Fire Marshal, the promulgation of administrative rules by the State Fire Marshal, and arson and simulated explosive related criminal offenses, and providing for fees and penalties and for the Act's applicability. Approved 5-3-04.
- [H.F. 2207](#)– Relating to statutory corrections which may adjust language to reflect current practices, insert earlier omissions, delete redundancies and inaccuracies, delete temporary language, resolve inconsistencies and conflicts, update ongoing provisions, or remove ambiguities, and including effective and retroactive applicability date provisions. Approved 4-26-04.
- [H.F. 2230](#)– Relating to safe deposit box access by a trustee of a trust created by the deceased owner of lessee of the safe deposit box. Approved 4-26-04.
- [H.F. 2243](#)– Regarding user responsibility and liability with respect to liquefied petroleum gas systems. Approved 5-3-04.
- [H.F. 2259](#)– Relating to the selling and purchasing of products containing pseudoephedrine, and providing penalties. Approved 5-3-04.
- [H.F. 2262](#)– Relating to public retirement systems and other employee benefit related matters, including the public safety peace officers' retirement, accident, and disability system, the Iowa Public Employees' Retirement System, the state wide fire and police retirement system, and the judicial retirement system, and providing effective and retroactive applicability dates. Approved 4-26-04.
- [H.F. 2269](#)– Providing for the regulation of business entities, including businesses providing for cemetery and funeral merchandising and services, business promotions and contracts, and businesses providing continuing care or adult congregate living services, and providing penalties. Approved 4/26/04.
- [H.F. 2281](#)– Relating to licensing of nonresident bait dealers and providing an effective date. Approved 4-26-04.
- [H.F. 2302](#)– Relating to gambling, concerning the operation, licensure, regulation, fee assessment, and taxation of racetracks and excursion gambling boats, including pari-mutuel wagering, horse purses and gambling games at racetracks and on gambling boats, racing and gaming commission employees, gambling treatment fund and county endowment fund appropriations, gambling by minors and others, and providing penalties and including effective and retroactive applicability date provisions. Approved 5-6-04.

- [H.F. 2319](#)— Relating to the operation, reporting, and dissolution of committees, reporting requirements for special and other elections, the placement of attribution statements in political materials, and the size and placement of political signs. Approved 4-28-04.
- [H.F. 2327](#)— Relating to child abuse assessment requirements involving notification of parents, interviews of persons alleged to have committed child abuse, and training of child protection workers. Approved 5-11-04.
- [H.F. 2328](#)— Relating to child protection confidentiality requirements involving the Department of Human Services. Approved 5-11-04.
- [H.F. 2352](#)— Relating to the appointment of illegal dumping enforcement officers and providing a penalty. Approved 5-3-04.
- [H.F. 2357](#)— Relating to the prevention and control of certain aquatic invasive plant and animal species and providing penalties. Approved 5-6-04.
- [H.F. 2366](#)— Relating to the use of blaze orange apparel by hunters and subjecting violators to a penalty. Approved 4-28-04.
- [H.F. 2367](#)— Relating to various issues under the purview of the department of corrections including the creation of an inmate labor fund. Approved 4-26-04.
- [H.F. 2378](#)— Relating to the disposition of medical assistance special needs trusts, including the payment rate for nursing facility levels of care. Approved 5-17-04.
- [H.F. 2390](#)— Making technical changes to programs under the purview of the Department of Human Services. Approved 4-28-04.
- [H.F. 2392](#)— Relating to controlled burns of demolished buildings conducted by certain cities. Approved 5-6-04.
- [H.F. 2393](#)— Relating to the regulation of target shooting near buildings and feedlots and the regulation of public hunting near buildings and feedlots and providing an effective date. Approved 5-14-04.
- [H.F. 2394](#)— Relating to driver education by a teaching parent. Vetoed 5-14-04. See Governor's Veto Message.
- [H.F. 2395](#)— Creating the criminal offense of intellectual property counterfeiting, and providing a penalty. Approved 4-27-04.
- [H.F. 2396](#)— Relating to recovery of prejudgment interest in relation to an offer to confess Judgment. Vetoed 5-14-04. See Governor's Veto Message.

- [H.F. 2402](#)– Restricting executive branch authority to transfer appropriations between departments. Vetoed 5-14-04. See Governor’s Veto Message.
- [H.F. 2418](#)– Relating to meeting dates by which the State Board of Regents must make final decisions on tuition increases for institutions of higher education under its control. Approved 5-3-04.
- [H.F. 2432](#)– Relating to the issuance of an additional free deer license to certain landowners and other persons. Vetoed 5-14-04. See Governor’s Veto Message.
- [H.F. 2433](#)– Relating to fees retained by county treasurers for the issuance of driver’s licenses and non-operator identification cards. Approved 5-6-04.
- [H.F. 2440](#)– Relating to awards of non-economic damages against health care providers. Vetoed 5-14-04. See Governor’s Veto Message.
- [H.F. 2447](#)– Relating to equipment and installation safety programs administered by the division of labor services of the department of workforce development, and providing an effective date. Approved 4-26-04.
- [H.F. 2455](#)– Establishing marriage and domestic relations requirements and providing an effective date. Vetoed 5-14-04. See Governor’s Veto Message.
- [H.F. 2460](#)– Relating to school district enrollment of students listed on the sex offender registry. Approved 5-6-04.
- [H.F. 2462](#)– Directing the Department of Human Services to implement child welfare diversion and mediation pilot programs. Approved 5-3-04.
- [H.F. 2467](#)– Relating to the quorum requirement for the Iowa Access Advisory Council. Approved 4-26-04.
- [H.F. 2471](#)– Relating to a prisoner from another state being detained or committed to a county jail in this state, and providing an effective date. Approved 4-28-04.
- [H.F. 2480](#)– Prohibiting the award of pets, or advertisement thereof, in certain circumstances, and providing a penalty. Approved 4-26-04.
- [H.F. 2481](#)– Expanding the circumstances by which the juvenile court may modify, vacate and substitute, or terminate a child in need of assistance dispositional order. Approved 5-11-04.
- [H.F. 2484](#)– Relating to the regulation of financial and real property institutions and assets including banks, credit unions, real property loan lenders, and real property financial liability. Approved 5-6-04.

- [H.F. 2486](#)– Providing for animal agriculture, including by providing for offenses involving animals and crops and related property, and providing penalties. Approved 5-6-04.
- [H.F. 2489](#)– Relating to the regulation of various industries by the insurance division, including modifications related to the interstate insurance product regulation compact; investigations and penalties; procedures and contempt orders; insurance company investments; insurance producer licensing; individual health insurance programs; coverage obligations of the Iowa comprehensive health insurance associations; refunds of unearned premium; coverage of federal trade adjustment act recipients; penalties and discipline applicable to holders of establishment and sales permits for cemetery and funeral merchandise and services; and providing and applying penalties. Approved 4-26-04.
- [H.F. 2505](#)– Providing for the selling of alcoholic beverages, wine, or beer on credit by a convention center, civic center, or events center under specified circumstances. Approved 5-11-04.
- [H.F. 2514](#)– Relating to a pilot project for dementia-specific care alternatives. Vetoed 5-14-04. See Governor's Veto Message.
- [H.F. 2515](#)– Relating to the keeping of farm deer. Vetoed 5-14-04. See Governor's Veto Message.
- [H.F. 2518](#)– Relating to the duties of the Soil and Water Conservation Division of the Department of Agriculture and Land Stewardship. Approved 5-6-04.
- [H.F. 2527](#)– Relating to the provision of a copy of a certificate of birth to a biological parent. Approved 5-11-04.
- [H.F. 2528](#)– Relating to consideration of a juvenile court order by the district court in a custody proceeding. Approved 5-11-04.
- [H.F. 2530](#)– Relating to the assessment of surcharges in criminal proceedings. Approved 4-26-04.
- [H.F. 2533](#)– Relating to protective orders and court-approved consent agreements under the Domestic Abuse Act. Approved 5-3-04.
- [H.F. 2544](#)– Requiring identification numbers for all parcels of real estate, additional real estate transaction records, and making a fee applicable. Approved 5-6-04.
- [H.F. 2549](#)– Relating to expenditures from the Waste Tire Management Fund. Approved 5-14-04.
- [H.F. 2551](#)– Relating to programs under the authority of the Department of Public Health. Approved 5-17-04.

- [H.F. 2554](#)– Relating to the establishment of a prescription drug assistance program by the commissioner of insurance, and providing for a contingent appropriation. Vetoed 5-14-04. See Governor's Veto Message.
- [H.F. 2555](#)– Providing for specified changes regarding programs under the purview of the Department of Public Health, providing a penalty, and making an appropriation. Approved 5-17-04.
- [H.F. 2557](#)– Providing for the regulation of securities, providing for fees and penalties, and providing an effective date. Approved 5-14-04.
- [H.F. 2558](#)– Relating to crimes against members of the species homo sapiens at any stage of development and making penalties applicable. Vetoed 5-14-04. See Governor's Veto Message.
- [H.F. 2559](#)– Relating to the duties of the College Student Aid Commission and the approval and registration of postsecondary schools by the Commission, the Department of Education, and the Secretary of State, and the establishment and collection of fees and chargeable expenses by the State Board of Education and the Secretary of State. Approved 5-6-04.
- [H.F. 2560](#)– Relating to fire protection service by requiring certain counties to negotiate emergency services agreements for townships, relating to dissolution of benefited fire districts, and including effective and applicability date provisions. Approved 5-6-04.
- [H.F. 2561](#)– Creating a job corps center new jobs credit and providing effective and retroactive applicability dates. Vetoed 5-14-04. See Governor's Veto Message.
- [H.F. 2562](#)– Relating to electrical and mechanical amusement devices that are required to be registered with the Department of Inspections and Appeals, establishing fees, making an appropriation, making penalties applicable, and including an effective and retroactive applicability provision. Approved 4-28-04
- [H.F. 2567](#)– Regulating the transportation of animal carcasses, providing for fees and penalties, and providing for an effective date. Approved 5-14-04.
- [H.F. 2568](#)– Relating to individual health insurance program modification; restructuring and modification of eligibility, benefits, tax offsets, and other terms related to the operation of the Iowa Comprehensive Health Insurance Association; phase out of guaranteed basic and standard individual insurance plans; and coverage of Federal Trade Adjustment Act recipients under the Iowa Comprehensive Health Insurance Act; and providing effective dates. Approved 5-11-04.
- [H.F. 2569](#)– Establishing a county enforcement surcharge for citations issued by the county sheriff. Approved 4-28-04.

- [H.F. 2571](#)– Relating to agriculture by providing for reporting requirements. Approved 5-6-04.
- [H.F. 2572](#)– Relating to the procedures and duties of the clerk of the district court and the judicial branch, and providing for a fee. Approved 4-28-04.
- [H.F. 2573](#) Regulating animal health by the Department of Agriculture and Land Stewardship, making an appropriation, and making penalties applicable. Approved 5-14-04.
- [H.F. 2577](#)– Relating to and making appropriations from the healthy Iowans tobacco trust and the tobacco settlement trust fund and providing an effective date. Approved 5-17-04 with the exception of Section 1, subsection 7, paragraph e. See Governor's Item Veto Message.
- [H.F. 2579](#)– Relating to disposition of an award of damages in a condemnation proceeding pending appeal of the award to district court and the award of interest earned on the damages. Approved 4-28-04.
- [S.F. 297](#)– Relating to the regulation of snowmobiles and all-terrain vehicles, establishing fees, providing penalties, and providing an applicability date. Approved 5-6-04.
- [S.F. 443](#)– Relating to criteria for community-based seed capital funds and providing retroactive applicability dates. Approved 5-11-04.
- [S.F. 2026](#)– Relating to the phase out of the sales and use taxes on the sale and furnishing of gas, electricity, and fuel to residential customers. Approved 5-6-04.
- [S.F. 2066](#)– Modifying requirements for securing children transported in motor vehicles and making a penalty applicable. Approved 4-28-04.
- [S.F. 2112](#)– Relating to and making transportation and other infrastructure-related appropriations to the state department of transportation, including allocation and use of moneys from the road use tax fund, the primary road fund, and the Keep Iowa Beautiful Fund, and providing for the nonreversion of certain moneys. Approved 5-19-04.
- [S.F. 2121](#)– Exempting certain environmental test laboratory services from the state sales and use taxes. Vetoed 5-14-04. See Governor's Veto Message.
- [S.F. 2153](#)– Relating to the funding of efforts to alleviate a public health emergency or disaster. Approved 4-26-04.
- [S.F. 2154](#)– Relating to parties to whom traffic citations are issued for failure to obey school bus warning devices. Approved 5-15-04.

- [S.F. 2183](#)– Relating to asset disregard under the medical assistance program for the purchase of a qualified long-term care insurance policy, providing for a repeal, and providing contingent effective date. Vetoed 5-14-04. See Governor's Veto Message.
- [S.F. 2190](#)– Relating to the development of the long-term care system in Iowa. Vetoed 5-14-04. See Governor's Veto Message.
- [S.F. 2215](#)– Relating to the investment of moneys of the Iowa Finance Authority in funds within the office of the Treasurer of State. Approved 5-6-04.
- [S.F. 2270](#)– Relating to county records, including the fees for recorded and electronic transactions and the confidentiality of veterans' military records maintained by the county recorder and providing an effective date. Approved 5-11-04.
- [S.F. 2275](#)– Relating to criminal sentencing practice and procedure. Approved 5-11-04.
- [S.F. 2282](#)– Requiring a comprehensive study of the archaeological and paleontological significance and the significance of the flora and fauna of the Loess Hills and of the feasibility of creating a state native prairie preserve in the Loess Hills and of other various uses of the Loess Hills, and providing a contingent effective date. Approved 5-3-04.
- [S.F. 2288](#)– Appropriating federal funds made available from federal block grants and other federal grants, allocating portions of federal block grants, and providing procedures if federal funds are more or less than anticipated or if federal block grants are more or less than anticipated. Approved 5-17-04.
- [S.F. 2291](#)– Relating to local government authority to encourage development and rehabilitation of certain real property and including effective date and applicability date provisions. Approved 5-17-04.
- [S.F. 2295](#)– Allowing individual income tax credits for contributions made to certain school tuition organizations and including an applicability date provision. Vetoed 5-14-04. See Governor's Veto Message.
- [S.F. 2298](#)– Making, reducing, and transferring appropriations, providing for government and economic development-related taxation, surcharge, and fee matters, providing for other properly related matters, and including penalty and effective and retroactive and other applicability date provisions. Approved 5-17-04 with the exception of Division I, second unnumbered paragraph, Sections 2, 9, 10, 24; subsection 3, section 32; Division III, Section 49, Subsection 3; Section 58, subsection 2; Section 58, subsections 2 and 3, paragraph b; Section 59, subsection 2, paragraph b; Section 60, subsection 2, paragraph b; Section 67; Section 71; Division IV, Section 82, subsection 1; Section 86, subsection 1a, first unnumbered

paragraph; subsection 2a, second unnumbered paragraph; subsection 2b, paragraph 4; subsection 3a, second unnumbered paragraph; subsection 4a, second unnumbered paragraph; Section 96; Division V, Section 102, subsection 1, paragraph c; Section 106; Section 107, Section 111; Section 114; Section 116, subsection 1; Section 124, subsection 1, first unnumbered paragraph; Section 125, subsection 17; Section 135, subsection 2; Section 142; Section 147; Section 150; Section 162, subsection 3; Division VI, Section 166; Division IX, Section 186, subsection 2; Section 192, subsection 5, third unnumbered paragraph; Section 198; Section 201; Division X, Section 217; Section 225; Section 229; Section 230; Section 239; Section 240; Section 241; Section 242, subsections 2-4; Section 261; Section 263; Section 276; Section 278; Section 285; Section 287, subsection 4; Division XI, Section 288, subsection 1g; Section 288, subsection 8; Section 299; Division XII, Section 301, subsection 1c, second unnumbered paragraph; Division XIII, Section 304, subsection 1b, first unnumbered paragraph; Division XIV, Section 311, second unnumbered paragraph; Section 315; Division XV, Section 319; Division XVI, Section 322, subsection 4, paragraphs b, c, and d; Section 335; Section 336; Section 344; Division XVII, Section 354; Division XIX, Section 403; Division XX, Sections 404-418; Sections 440-441. See Governor's Item Veto Message.

[S.F. 2303-](#)

Providing for an individual income tax deduction for contributions made to a qualified tuition program established by certain educational institutions and including effective and retroactive applicability date provisions. Vetoed 5-14-04. See Governor's Veto Message.

[S.F. 2308-](#)

Relating to the number of days of payment for expenses of office for members of the general assembly for the 2004 regular session of the Eightieth General Assembly and including effective date and retroactive applicability provisions. Approved 5-3-04.

## GOVERNOR'S VETO MESSAGE

A copy of the following communications were received and placed on file:

May 14, 2004

The Honorable Chester Culver  
Secretary of State  
State Capitol Building  
L O C A L

Dear Mr. Secretary:

I hereby transmit [House File 593](#), an Act relating to elections and voter registration. We should be looking for opportunities to increase participation in the electoral process. Therefore, our legislative efforts should not restrict opportunities to participate in the electoral process. Therefore, our legislative efforts should not restrict opportunities to participate in the electoral process. [House File 593](#) originated as legislation put forth by the county auditors. Many of the sections make technical changes to the code that would allow auditors to improve the election process. I am supportive of these changes. However, a partisan amendment was added to this bill that restricts opportunities to vote by closing the polls at 8:00 p.m. instead of the current 9:00 p.m.

In the 2002 general election, it is estimated that over 10,000 Iowans voted during the last hour. Why make it more difficult for so many of our working Iowans and working single mothers – those who may not be able to vote early in the morning – to vote? Quite simply, we should not.

As President John F. Kennedy said, "The right to vote in a free American election is the most powerful and precious right in the world." At a time when brave men and women put themselves in harms way to open up democracy in a troubled land, the right to vote becomes more precious. I recognize that some auditors may have some difficulty getting workers to put in an extra hour or two, but that seems a small sacrifice when others are going days, weeks, months, and years to save freedom and democracy.

For the above reasons, I hereby respectfully disapprove [House File 593](#).

Sincerely,  
Thomas J. Vilsack  
Governor

May 14, 2004

The Honorable Chester Culver  
Secretary of State  
State Capitol Building  
L O C A L

Dear Mr. Speaker:

I hereby transmit [House File 2187](#), an Act providing for the elimination of an examination requirement as a prerequisite for being designated a registered dental assistant.

I am unable to approve [House File 2187](#) for the following reasons. At the request of the legislature, the Dental Assistant Scope of Practice Review Committee was convened in October of 1998. The purpose of a scope of practice review committee is to conduct an impartial, analytical assessment of proposed changes in health regulation using established objective criteria in order to develop recommendations which help to ensure and protect the public's health, safety and welfare. The committee heard testimony and carefully reviewed arguments both for and against registration of dental assistants. The committee found that there was potential harm or danger to the public from untrained assistants in areas of infection control and hazardous materials. Four out of five voting committee members agreed that the potential harm was sufficient to warrant further regulatory oversight. The committee identified the least restrictive method of regulation that would achieve the desired public protection. Registration of dental assistants, with some minimal course or exam in infection control, hazardous materials, and jurisprudence, was identified as this method.

In response to the recommendation of the scope of practice review committee, legislation was proposed. This legislation arose from a compromise establishing an agreement between the Iowa Board of Dental Examiners, Iowa Department of Public Health, Iowa Dental Association, Iowa Dental Assistant Association and the Iowa Dental Hygiene Association. In February 2000, I signed the legislation into law. Since that time, the community colleges have expanded their dental assistant programs. To date, there are more applicants for the program than space allows. Since the bill establishing the registration by means of a competency exam was enacted, the number of dental assistants in Iowa has grown. Proponents of this bill argue that the competency exam is too hard and intimidates potential recruits. The dental assistant recruitment issues raised by those in favor of this measure have been linked, by those actually working as dental assistants, to low wages and lack of in office training by dentists. The competency exam provides uniformity in training across the state. This allows for consistency and confidence in the knowledge base of dental assistants statewide.

Dental assistance programs provide graduates the opportunity to enter a profession that affords them a respectable living. The typical student to enroll in a dental assistant training program is a single mother, age 25, with significant barriers to financial independence. We must not turn our back on the increasing number of women striving to improve their lives by pursuing education and training that will afford them financial independence and professional status. The advancement of women in the workforce is vital to the public and the economic health of Iowa.

There is an additional benefit found in the establishment of dental assistant programs at Iowa's Community Colleges. The community colleges have invested a substantial amount of money in dental clinics associated with the colleges. While being trained, dental assistant students serve the public at these clinics. Many of who are indigent or elderly. This is a service to those communities.

Dental assistants are the first line of defense in protecting Iowans from the spread of blood borne pathogens and infectious diseases. The dental assistant must not only perform infection control duties but must have a clear understanding of the risk to the patient and themselves, if there infection control responsibilities are not properly performed. In addition, the dental assistant must understand the legal scope of their job responsibilities, accurate recordkeeping, federal OSHA regulations and other competencies related to their profession.

I appreciate the concern of the proponents of this bill as it impacts access to dental care in rural Iowa. However, I am not convinced that this bill is the solution to that problem. I encourage all stakeholders in this matter to convene over the interim and seriously review areas where compromise may be reached. Some options may include:

- 1) Allow for the examination or some measure of competency.
- 2) Develop an alternative course of study with an assessment at the conclusion of the instruction.
- 3) Allow for a waiver for those practice situations where the examination is deemed to be detrimental to the dentists practice.

The Iowa Department of Public Health, the Iowa Board of Dental Examiners, the Iowa Dental Assistant Association, the Iowa Dental Assistance Council, the Iowa Dental Hygiene Association and the community colleges oppose this legislation. They recognize that at a time when other states are raising their dental standards, Iowa should not be lowering its standards. I remain committed to the protection of the public health of Iowans by requiring consistent health and safety standards in Iowa's dental offices. Recruitment issues raised by the proponents of this measure should not outweigh the overriding protection of the public health of Iowans.

For the above reasons, I hereby respectfully disapprove [House File 2187](#).

Sincerely,  
Thomas J. Vilsack  
Governor

May 14, 2004

The Honorable Chester Culver  
Secretary of State  
State Capitol Building  
L O C A L

Dear Mr. Secretary:

I hereby transmit [House File 2394](#), an Act relating to driver education by a teaching parent.

I am unable to approve [House File 2394](#). This bill allows a parent to provide driver's education to a student-child. Public safety dictates a uniform system for making sure, to the extent possible, that all young drivers receive appropriate training in driving techniques for all possible driving circumstances. The proposal creates a

dual system that creates the risk of inconsistency in training. The current system ensures that educators are up-to-date with new techniques and are aware of pertinent law changes. The current system supports safety. The proposed exception undermines safety.

For the above reasons, I hereby respectfully disapprove [House File 2394](#).

Sincerely,  
Thomas J. Vilsack  
Governor

May 14, 2004

The Honorable Chester Culver  
Secretary of State  
State Capitol Building  
L O C A L

Dear Secretary Culver:

I hereby transmit [House File 2396](#), an Act relating to recovery of prejudgment interest in relation to an offer to confess judgment.

[House File 2396](#) is fundamentally flawed by giving leverage to defendants in settlement negotiations without affording similar leverage to plaintiffs in settlement negotiations. The alleged purpose of the bill – to encourage early settlement of disputed claims and minimize the cost of litigation – is defeated when only one party to the negotiations is afforded a mechanism for forcing the opposing party to evaluate their settlement position.

Fundamental fairness requires that settlement discussions take place on a level playing field. [House File 2396](#) tilts the playing field in favor of defendants. I would favor a balanced bill that affords defendants the opportunity to confess judgment and plaintiffs the opportunity to accept/receive judgment, with equivalent penalties to those parties that refused to accept or receive these offers. This would be the best way to encourage parties to evaluate their cases early and avoid the cost of lengthy and expensive litigation.

For the above reasons, I hereby respectfully disapprove [House File 2396](#).

Sincerely,  
Thomas J. Vilsack  
Governor

May 14, 2004

The Honorable Chester Culver  
Secretary of State  
State Capitol Building  
L O C A L

Dear Mr. Secretary:

I hereby transmit [House File 2402](#), an Act restricting executive branch authority to transfer appropriations between departments.

By creating artificial limits on the use of transfers, [House File 2402](#) would make it more difficult for the executive branch to function efficiently and effectively. Given the Legislature's unwillingness to adequately fund key services like education and health care, now is not the time to be reducing administrative flexibility in state government.

[House File 2402](#) would add several new limits to the use of transfers of resources between appropriations. For example, it would limit the total of transfers to an appropriation to a total of \$1 million unless one of three conditions exists. These conditions are that a transfer occurs in the last thirty days of a fiscal year, is approved by a majority vote of the Legislative Council, or the Legislative Council chooses not to act on the transfer within 30 days of notice of the transfer. Each of these limitations could pose practical problems for little or no benefit.

At the outset, the \$1 million threshold is an arbitrary number with no specific relationship to the appropriations it limits. In a \$4.6 billion general fund budget, single appropriations range from as much as \$350 million to as little as \$10,000. Many large appropriations are entitlements, which are driven by utilization of services. While the current transfer statute exempts these entitlements (such as for foster care), [House File 2402](#) does not. For these appropriations, a \$1 million limit is a very low threshold.

The Legislature has correctly recognized that many transfers must be made at the end of the fiscal year to ensure that budgets are balanced, and it is helpful to allow interdepartmental transfers without limits during the final 30 days of a fiscal year. However, because the State utilizes accrual accounting, the same problems exist at the end of the July and August "hold open" period. Because the bill would require those transfers to be put on hold for 30 days while the Legislative Council decides upon them, it is likely that they would not be able to be made in a timely fashion. This would likely lead to the State being out of compliance with Generally Accepted Accounting Principles.

Finally, while the bill's other exceptions, such as Legislative Council approval, may be acceptable, the fact is that this additional approval process would slow the ability of state government to respond to unforeseen budget events. Currently, it is necessary to provide two weeks notice before transfers are made, and during that time the Legislature may provide comments prior to the actual transfer. [House File 2402](#) could more than double that time period – unless the Legislative Council chose to act, no transfer could occur until 30 days had passed. This could be extremely disruptive for state government and the services it provides.

Iowa law already provides several mechanisms to limit the use of interdepartmental transfers. These transfers may not be made while the Legislature is in session. They are also limited to adding 50% to the total of an appropriation in a fiscal year. This is a more acceptable limit because it recognizes the varying size of appropriation in the state budget. The current law also does not apply this limit to entitlements, which is also an improvement on the approach in [House File 2402](#).

For the above reasons, I hereby respectfully disapprove [House File 2402](#). There are already sufficient limits on transfers in Iowa's budget law. The bill has the potential to create budget problems for no real benefit.

Sincerely,  
Thomas J. Vilsack  
Governor

May 14, 2004

The Honorable Chester Culver  
Secretary of State  
State Capitol  
L O C A L

Dear Mr. Secretary:

I hereby transmit [House File 2432](#), an Act relating to the issuance of an additional free deer license to certain landowners and other persons.

Although I am supportive of landowners receiving free deer and turkey license as current law provides, I am concerned that an additional free license for landowners and tenants would deplete much needed resource enhancement resources for Iowa sports men and women by way of the Fish and Game Trust Fund. Landowners, a family member, or a tenant can currently receive one free any sex deer license, one free antlerless deer license and one free wild turkey license. In addition, they can purchase two additional antlerless deer licenses at a substantially reduced rate of \$11.00.

Landowners and tenants currently receive approximately \$1.8 million worth of free or reduced licenses annually. Adding an additional antlerless only license to the existing two free and two \$11.00 licenses will result in a loss of an additional \$155,000 in revenue needed to enhance wildlife habitat and expand recreational opportunities for sports men and women throughout Iowa. It is these outdoor recreational activities that contribute to Iowa's overall quality of life and make our state even more appealing to outside visitors.

For the above reasons, I hereby disapprove [House File 2432](#).

Sincerely,  
Thomas J. Vilsack  
Governor

May 14, 2004

The Honorable Chester Culver  
Secretary of State  
State Capitol Building  
L O C A L

Dear Mr. Secretary:

I hereby transmit [House File 2440](#), an Act relating to awards of non-economic damages against health care providers.

I am unable to approve [House File 2440](#) for the following reasons. This legislation purports to address a problem of the cost and availability of medical malpractice liability insurance. I recognize this is a real and growing problem for Iowa health care providers that requires a real solution. However, limiting quality of life damages will not appreciably reduce costs or increase availability of medical malpractice insurance.

The proponents of this legislation believe that it is necessary to prevent doctors from leaving Iowa, yet the statistics of the Iowa Medical Society show that the number of doctors in Iowa has been rising in recent years. For example, the number of obstetrician/gynecologists has increased from 158 in 1999 to 174 in 2003, and the number of family practitioners has increased from 1,008 in 1999 to 1,060 in 2003.

Some suggest that a cap is necessary to prevent frivolous lawsuits against doctors. Iowa has a tradition of fairness and reasonable results, which is why the U.S. Chamber of Commerce ranked Iowa as having one of the top four most favorable climates in the country for fair and reasonable jury awards. This proposal does nothing to discourage frivolous suits, and only penalizes those with legitimate claims who have the greatest injuries.

Others feel that this legislation is necessary because malpractice insurers will leave the state, yet statistics from the National Association of Insurance Commissioners demonstrate that medical malpractice insurance was one of the most profitable lines of insurance in Iowa during the past ten years. In fact, within the past ten years an Iowa insurer returned \$70 million in dividends to its policyholders.

Some point to other states that have placed a cap on quality of life damages where premiums have gone down, but in some states premiums were not reduced until insurance reforms were instituted that gave doctors and hospitals the right to object to unreasonable increases.

Malpractice insurance premiums have increased significantly in the last couple of years at the same time that payouts for claims dropped. Iowa's experience does not justify premium increases at the level charged to our doctors and hospitals.

I support a thorough examination of the factors contributing to the rise in medical malpractice insurance premiums for Iowa health care providers, and a thoughtful solution based on facts that balances the needs of doctors and hospitals with the rights of patients and interested third parties. I have invited interested stakeholders to participate in a process to develop a comprehensive solution and approach that makes sense for all of us.

For the above reasons, I hereby respectfully disapprove [House File 2440](#).

Sincerely,  
Thomas J. Vilsack  
Governor

May 14, 2004

The Honorable Chester Culver

Secretary of State  
State Capitol Building  
L O C A L

Dear Secretary Culver:

I hereby transmit House file 2455, an Act establishing marriage and domestic relations requirements and providing an effective date.

I see no harm in providing a different waiting period before a marriage license is issued based on obtaining appropriate marriage counseling. If that is all that was contained in [House File 2455](#), I might sign it. However, the bill also contains a requirement of submitting a parenting plan in conjunction with dissolution of marriage action. I am very troubled by the requirement that the plan be provided within 30 days of service of the process commencing the action. This is not feasible and could create serious conflicts undermining reconciliation efforts.

For this reason, I hereby respectfully disapprove [House File 2455](#).

Sincerely,  
Thomas J. Vilsack  
Governor

May 14, 2004

The Honorable Chester Culver  
Secretary of State  
State Capitol Building  
L O C A L

Dear Mr. Secretary:

I hereby transmit [House File 2514](#), an Act relating to a pilot project for dementia-specific care alternatives. I am unable to approve [House File 2514](#) for the following reasons.

[House File 2514](#) requires the Department of Inspections and Appeals, in cooperation with the Department of Elder Affairs in consultation with representatives of the affected industry, to implement no more than two pilot projects for dementia-specific alternative living. Expanding alternative living arrangements under the guise of a pilot project places an Executive Branch regulatory agency in an advocacy role and provides state approval to programs that would otherwise be deemed unlicensed or uncertified.

Additionally, [House File 2514](#) contains no specific standards or guidelines to those Executive Branch agencies involved in promulgating administrative rules for the pilot projects. Without adequate standards or guidelines, it is impossible to define dementia-specific alternative living, establish whether this category of alternative living is to be licensed or regulated, and set standards for the evaluation of the proposed pilot projects.

While I can appreciate the need to explore new and alternative living arrangements for Iowa's senior citizens, my overriding concern must be for the health, safety, and welfare of vulnerable individuals who would be impacted by a program of this kind. House file 2514 does not adequately address this concern.

For the above reasons, I hereby respectfully disapprove [House File 2514](#).

Sincerely,  
Thomas J. Vilsack  
Governor

May 14, 2004

The Honorable Chester Culver  
Secretary of State  
State Capitol Building  
L O C A L

Dear Mr. Secretary:

I hereby transmit [House File 2515](#), an Act relating to the keeping of farm deer.

This bill has the potential to create a domestic livestock disaster if transmissible diseases are introduced to our wild deer herds or domestic animals. This could lead to serious financial costs both for those pursuing new agricultural and recreational opportunities and the state agencies responsible for curtailing the diseases. Surrounding states have experienced Chronic Wasting Disease linked to the movement of captive farm elk and its impact. Wisconsin has spent over \$17 million trying to eradicate Chronic Wasting Disease, and Michigan has spent over \$47 million for the same. Both states have failed to rid their state of the disease.

This bill is an attempt to deregulate an industry that is only as good as its worst member. If unregulated sick animals were released to the wild in Iowa, it would have a disastrous affect on the \$88 million deer hunting industry. The state must have knowledge of and regulatory authority over businesses that have the potential to introduce transmissible diseases to our wildlife and domestic animals.

However, I understand that there is an important role in the agricultural and recreational sectors of the economy for deer farms and hunting preserves. I want to continue to foster economic diversity and opportunity and am therefore willing to explore sensible and reasonable standards that will keep our wild and domestic animals disease-free without creating barriers to new economic and recreational opportunities. I commit to working with legislators to strike this appropriate balance for the benefit of our state.

For the above reasons, I hereby respectfully disapprove [House File 2515](#).

Sincerely,  
Thomas J. Vilsack  
Governor

May 14, 2004

The Honorable Chester Culver  
Secretary of State  
State Capitol Building  
L O C A L

Dear Mr. Secretary:

I hereby transmit [House File 2554](#), an Act relating to the establishment of a prescription drug assistance program by the commissioner of insurance, and providing for a contingent appropriation.

I am unable to approve [House File 2554](#) for the following reasons. Assisting seniors and vulnerable Iowans with access to lower cost prescription drugs continues to be one of my priorities. [House File 2554](#) fails to advance that priority, risks diversion of resources away from the Senior Living Trust, and duplicates the outreach effort of the federal government already funded with taxpayer dollars.

Information about the level and extent of possible discounts is available through the Internet at [www.medicare.gov](http://www.medicare.gov). A secondary information system creates the risk of conflicting and inaccurate information being provided to Iowans.

I believe this legislation will not meaningfully address this important priority. Instead, it will divert dollars from the Senior Living Trust, which does provide seniors vital health care and living option services. I cannot and will not support an unnecessary diversion of resources from the Senior Living Trust, nor will I support a process that could easily confuse seniors and others accessing the system.

For the above reasons, I hereby respectfully disapprove [House File 2554](#).

Sincerely,  
Thomas J. Vilsack  
Governor

May 14, 2004

The Honorable Chester Culver  
Secretary of State  
State Capitol Building  
L O C A L

Dear Mr. Secretary:

I hereby transmit [House File 2558](#), an Act relating to crimes against members of the species homo sapiens at any state of development and making penalties applicable.

I am sympathetic to efforts to protect women during their pregnancy.

Iowa law currently provides for greater accountability, responsibility and protection in cases of violent crimes against pregnant women. Iowa has had laws on the books dealing with violent crimes against pregnant women for more than five years. These can be found under Iowa Code sections 707.8(1)-(12). Iowa Code 707.8(1) specifically

deals with terminating a human pregnancy without the consent of the pregnant person during the commission of a forcible felony (murder, kidnapping, robbery, assault, arson). A person found guilty under 707.8(1) is guilty of a class "B" felony. The penalties for a class "B" felony provide for a maximum sentence of no more than 25 years, and two separate charges can be brought. In addition, Iowa Code section 707.7 sets out the crime of feticide as a class "C" felony.

If the intent of this bill is to provide for greater accountability for people committing crimes against a pregnant woman or to provide greater protection for pregnant women, then this objective could be accomplished by increasing existing penalties for these types of crimes.

[House File 2558](#) creates a new crime that fails to promote greater accountability of wrongdoers and fails to afford greater protection for pregnant women. Under these circumstances there appears to be no reason to approve [House File 2558](#).

For the above reasons, I hereby respectfully disapprove [House File 2558](#).

Sincerely,  
Thomas J. Vilsack  
Governor

May 14, 2004

The Honorable Chester Culver  
Secretary of State  
State Capitol Building  
L O C A L

Dear Mr. Secretary:

I hereby transmit [House File 2561](#), an Act creating a job corps center new jobs credit and providing effective and retroactive applicability dates.

I support Iowa's only Job Corps Center and efforts to link graduates to job opportunities within the state. However, I cannot support a reduction in general fund revenues despite the laudable goal. While the impact of granting a credit against tax of \$1,182 per graduate amounting to a reduction of \$170,000 in general fund revenue may appear minimal, the reduction comes at a time when other key needs and priorities in education, health care, public safety, and environmental protection remain unmet. It is neither prudent nor responsible to extend additional tax credits at this time while key priorities are left under funded.

For the above reasons, I hereby respectfully disapprove [House File 2561](#).

Sincerely,  
Thomas J. Vilsack  
Governor

May 14, 2004

The Honorable Chester Culver

Secretary of State  
State Capitol Building  
L O C A L

Dear Mr. Secretary:

I hereby transmit [Senate File 2121](#), an Act exempting certain environmental test laboratory services from the state sales and use taxes.

Iowa's personal and sales tax rates rank near the middle when compared with other states. Our corporate income tax rate is one of the most competitive in the nation; and in fact, environmental testing labs benefit from Iowa's single factor apportionment formula regarding corporate income tax liability. However, we score lower when compared with other states in tax fairness because we have a large number of sales tax exemptions that have been enacted in the last decade. Our sales tax burden is heavier on the average Iowan and grows considerably unfair when additional exemptions are included.

This is why, in my Condition of the State address in January, I called on the legislature to modernize the sales tax structure to more fairly and accurately reflect Iowa's new economy where services represent the fastest growing segment. Broadening the sales tax base while lowering the overall sales tax rate over time would bring a larger degree of fairness while insuring necessary resources to fund our priorities. This bill would work counter to that effort by providing an additional sales tax exemption.

This bill would also reduce resources available for the Iowa Values Fund. This year, I proposed a permanent funding source for that fund, but the legislature failed to enact it. As a result, the Iowa Values fund will only receive additional resources if sales tax revenue grows by more than 2% each year. This bill, by reducing sales tax collections, would make it all that much more difficult to provide resources for economic development.

The environmental test laboratory services are an important industry, especially in Iowa as we value safe and clean water. Several Iowa environmental labs compete nationally with labs from other states. Many of the out of state labs do not charge Iowa sales tax on business in Iowa. This places our labs in a non-competitive situation; therefore, I direct the Department of Revenue to vigorously enforce our sales tax laws on all out of state lab companies that offer services in Iowa so as to level the playing field with Iowa-based labs.

For the above reasons, I hereby respectfully disapprove [Senate File 2121](#). Iowa remains a competitive state to do business, and our Department of Economic Development is committed to providing support to the environmental test labs businesses interested in creating jobs in Iowa.

Sincerely,  
Thomas J. Vilsack  
Governor

May 14, 2004

The Honorable Chester Culver  
Secretary of State  
State Capitol Building  
L O C A L

Dear Mr. Secretary:

I hereby transmit [Senate File 2183](#), an Act relating to asset disregard under the medical assistance program for the purchase of a qualified long-term care insurance policy, providing for a repeal, and providing contingent effective date.

I am unable to approve [Senate File 2183](#) for the following reasons. The policy behind this legislation is very sound and one which I support. However, there are numerous problems in the drafting of this bill. [Senate File 2183](#) proposes to recast and amend current Iowa Code Chapter 249G (Long-term Care Asset Preservation Program) as new Iowa Code Chapter 249J. Iowa Code 249G was adopted in 1993 to take advantage of a waiver from the U.S. Department of Health and Human Services (HHS) which allowed states to offer incentive programs for long-term care insurance. Iowa is one of five states that have such a waiver. States obtained initial grants from various sources to launch these programs and all are now state-funded. However, no grants or appropriations are provided for this program in Iowa.

In addition to a lack of funding, there are several provisions in this bill that make it difficult for the Iowa Insurance Division (IID) to administer.

1. Section 5: Subsections 249J.5(1)(a) and (b) appear to conflict. Subsection (1)(a) calls for purchase of a policy that is roughly equivalent to the current cost of a three-year stay in a nursing home in Iowa. This subsection sets one standard for policies purchased before January 1, 2004 and another for policies purchased after that date. Subsection (1)(b) appears to be copied directly from Indiana law, which amended its law in 1998. There is no legal reason for Iowa to focus on the date January 1, 1998. The variance in minimum policy benefit levels between sub (a) and sub (b) and, i.e. \$100,00 vs. \$140,000 is not explained. At a minimum, these differences will create consumer confusion and make drafting of administrative rules difficult.
2. Effective Date: If [Senate File 2183](#) becomes law, it will take effect on July 1, 2004. As a practical matter, this program cannot take effect until the State Medicaid plan is amended. This requires DHS to obtain approval by the federal government. It is unknown how long this process could take. The IID is directed to adopt rules to implement the program. Rulemaking cannot commence until the Medicaid amendments are in place. To allow time for this process, the legislation should not take effect until at least six months after the Medicaid plan amendments are approved.
3. Funding: Section 13 of the bill states that the program is established only if funding is specifically appropriated. The initial version of this bill called for the IID to promote this program, and to conduct consumer education. That version contained an appropriation of \$300,000. The appropriation was stricken, but the language in Section 13 remains. It thus appears that this legislation cannot become effective unless funds are appropriated through some other mechanism.

4. Administration: This program would be easier to administer if it contained some mechanism for the minimum policy face amount to increase over time. For example, a chart that presumes a certain level of inflation could be adopted for the first five years or the Insurance Commissioner could be directed to make a finding every two years of the cost of a three-year stay.
5. Waiver: Iowa Code 249G.2(1) directs the DHS to obtain a waiver from HHS. This waiver has been obtained. [Senate File 2183](#) repeals Code Section 249G and does not include any reference to the waiver provisions in the proposed new Section 249J.

In addition to these technical and administrative problems there is a significant unintended fiscal impact to Iowa's Medicaid program, specifically as it impacts the medically needy. Currently applicants must spend their assets down to less than \$2,000 before they qualify for payment of nursing facility services. By covering nursing facility services under the medically needy program, applicants will only be required to spend their assets down to less than \$10,000. This higher resource limit will result in approximately 6,000 applicants each year that will qualify for coverage of nursing facility services two months earlier than they would under the current rules. This results in Medicaid covering an additional 12,000 months of nursing facility services per year. The fiscal impact is estimated to be about \$12 million to the state general fund and about \$32.4 million in state and federal funds.

There is some additional confusion. The bill directs the Department of Human Services to amend the state plan to cover nursing facility services using the special income rule (three times the SSI limit) for the medically needy without requiring the individual to establish a qualifying income trust. Using the special income rule for nursing facility coverage under medically needy is in conflict with federal law. However, it appears that this legislation would still require us to cover nursing facility services under the medically needy program using the current income limit.

This legislation in its current form creates significant administrative and fiscal problems. I encourage the legislature to revisit this issue next year and propose workable legislation that fixes the problems with Section 249G and thus make available to consumers an incentive to plan for their own long-term care needs.

For the above reasons, I hereby respectfully disapprove [Senate File 2183](#).

Sincerely,  
Thomas J. Vilsack  
Governor

May 14, 2004

The Honorable Chester Culver  
Secretary of State  
State Capitol Building  
L O C A L

Dear Mr. Secretary:

I hereby transmit [Senate File 2190](#), an Act relating to the development of the long-term care system in Iowa.

With the establishment of the Senior Living Trust, Iowa began the formation of a three pronged long-term care system. Today, in-home care, assisted living, and skilled nursing care are available to Iowans. Iowa must continue the course begun with the Senior Living Trust.

Another task force, especially one that does not draw on the expertise of those providing care or the executive branch department employees involved in elder care, will not improve our current system. The legislation establishes a task force, which is not designed to make meaningful recommendations; and for that reason, I cannot and will not approve [Senate File 2190](#).

What is needed is continued evaluations between the Department of Elder Affairs, Department of Human Services, and Department of Inspections and Appeals with the assistance of experts in the field of long-term care to make recommendations as to how Iowa could build upon the system already in place. With this veto message, I am directing the department heads from the aforementioned agencies to prepare a joint and agreed upon report with recommendations for improvements to our current long-term care system. I expect that report no later than October 1, 2004. The directors should seek to comply with the spirit of [Senate File 2190](#) by outlining practices and benchmarks by which to gauge short-term and long-term success.

For the above reasons, I hereby respectfully disapprove [Senate File 2190](#).

Sincerely,  
Thomas J. Vilsack  
Governor

May 14, 2004

The Honorable Chester Culver  
Secretary of State  
State Capitol Building  
L O C A L

Dear Mr. Secretary:

I hereby transmit [Senate File 2295](#), an Act allowing individual income tax credits for contributions made to certain school tuition organizations and including an applicability date provision.

I am unable to approve [Senate File 2295](#). This bill allows a tax credit for contributions to school tuition organizations for educational scholarships or tuition grants to children in nonpublic accredited schools. The bill provides an income tax credit of 75% of voluntary cash contributions, up to \$700 per single individual or \$800 for a married couple. No cap on the annual total was implemented and the

contributions could be substantial. This bill does not allow an equal tax credit for contributions to public schools.

I understand the rationale behind [Senate File 2295](#). Proponents urge approval predicted on the alternative they believe private schools provide to public education. Proponents also urge that the proposal, while costing the general fund initially, will save the state resources in the long term as fewer children will attend public schools thereby relieving state aid.

Despite the best intentions behind [Senate File 2295](#), I cannot and will not approve it at this time. If anything is certain this year in Iowa, it is that resources available to support public education were inadequate. The legislature neither provided full funding for allowable growth nor did the legislature provide resources to move beyond the status quo of our groundbreaking teacher compensation and student achievement effort. As long as our public school system needs resources, priorities dictate that incentives to encourage support for private schools should not be encouraged – particularly when they reduce future available resources.

In the next two years, more than \$65 million of tax cuts authorized but not yet implemented must be covered by revenue growth or cuts in education, health care and public safety. [Senate File 2295](#) conservatively would add another \$3.6 million to that total and might be substantially more if other states' experiences with this mechanism to support private schools is replicated in Iowa. We should not add to that total until revenues stabilize and priorities are adequately funded.

For the above reason, I hereby respectfully disapprove [Senate File 2295](#).

Sincerely,  
Thomas J. Vilsack  
Governor

May 14, 2004

The Honorable Chester Culver  
Secretary of State  
State Capitol Building  
L O C A L

Dear Mr. Secretary:

I hereby transmit [Senate File 2303](#), an Act providing for an individual income tax deduction for contributions made to a qualified tuition program established by certain educational institutions and including effective and retroactive applicability date provisions.

I am unable to approve [Senate File 2303](#). This bill allows Iowa income tax deductions for contributions made to qualified tuition programs established by educational institutions, namely the Independent 529 Plan. The Independent 529 Plan is a counterpart to College Savings Iowa which was established five years ago and is recognized as one of the nation's best plans. No other state has broadened the state tax deductibility to Independent 529 Plans.

Independent 529 Plans require the schools to offer pre-paid plans. Many states that have sponsored similar plans across the country have suspended offering these plans to new students or participants because they are not financially sound.

The bill reduces state revenue at a time when the legislature is struggling to find adequate resources for the education, health care, and public safety that Iowans value. I recognize that the amount of reduction appears minimal, but common sense suggests that you do not reduce revenue by any amount until you have adequate revenue to meet priority needs.

For the above reasons, I hereby respectfully disapprove [Senate File 2303](#).

Sincerely,  
Thomas J. Vilsack  
Governor

### GOVERNOR'S ITEM VETO MESSAGE

May 17, 2004

The Honorable Chester Culver  
Secretary of State  
State Capitol Building  
L O C A L

Dear Mr. Secretary:

I hereby transmit [House File 2577](#), an Act relating to and making appropriations from the healthy Iowans tobacco trust and the tobacco settlement trust fund and providing an effective date.

[House File 2577](#) is approved on this date with the following exceptions, which I hereby disapprove.

I approve Section 8, which requires the Department of Public Health to provide a separate division administrator for the Division of Tobacco Use Prevention and Control. I fully recognize the importance of focusing on the importance of preventing and reducing tobacco use and appreciate the interest of stakeholders in maintaining a separate division administrator. However, I retain this language with some reservation. I am concerned that this new position may not be the most efficient use of tobacco prevention dollars. The tobacco division consists of nine employees and two vacant positions, which does not meet the span-of-control goal of 1:12. The next smallest division in the Department has four times as many employees, and all of the other divisions have multiple programs. Over the last two years, the Legislature has decreased the budget of the tobacco division by 40 percent. I am hopeful that this language marks a shift in legislative priorities and that the Legislature will restore these funds and provide a strong fiscal commitment to reducing tobacco use. Without an accompanying financial commitment, this language and the new division administrator are primarily a symbolic act.

I am unable to approve the item designated as a portion of Section 1, subsection 7, paragraph e. This language requires allocation of funds for the implementation of a treatment program at the Iowa Correctional Institution for Women in Mitchellville. A

similar value-based treatment program at the Newton Correctional Facility is the subject of a constitutional challenge currently before the U.S. District Court. In order to avoid expansion of potential liability, state appropriations for value-based treatment programming should not be expanded to other correctional institutions until the courts resolve this issue.

I approve the items designated as Section 14 and Section 15, which direct the Department of Public Health to issue a \$400,000 contract to a specific program targeted towards prevention efforts with Iowa youth. I support mentoring programs that focus on violence prevention and efforts to reduce the illegal use of alcohol, tobacco, and other substances among our youth. By preventing such acts, we save kids from a lot of pain and we save lives. However, I retain this language with some reservation. First, it is difficult to justify a sole source contract when there are other qualified organizations that would be denied any opportunity to bid on such a large contract. Furthermore, I expect this program to demonstrate its effectiveness through an independent evaluation. Certified mentoring programs in Iowa are required to meet standards of effective practice, and I expect the same of this program.

For the above reasons, I respectfully disapprove of the designated items in accordance with Article III, Section 16 of the Constitution of the State of Iowa. All other items in [House File 2577](#) are hereby approved as of this date.

Sincerely,  
Thomas J. Vilsack  
Governor

May 17, 2004

The Honorable Chester Culver  
Secretary of State  
State Capitol Building  
L O C A L

Dear Mr. Secretary:

I hereby transmit [Senate File 2298](#), an Act making, reducing, and transferring appropriations, providing for government and economic development-related taxation, surcharge, and fee matters, providing for other properly related matters, and including penalty and effective and retroactive and other applicability date provisions.

During my Condition of the State address in January, I asked the Legislature to join me in honoring the spirit of service and sacrifice of Iowans serving in harm's way. As important decisions affecting our state's future presented a significant challenge, I felt it was crucial to put these challenges in perspective to guide our work in shaping the future of Iowa. At that time, I remarked, "Today, and for the foreseeable future, Iowans will be placed in harms way in the service of liberty and freedom. Their task of improving the world in which we all live is our task as well. In our work at home we should draw inspiration from them to do our duty. They sacrifice to transform a nation and open up opportunity for someone else's child. We sacrifice to transform a state and open up opportunity for their children and all of our children."

We strived to fund initiatives and operations of state government that allowed these values to strengthen our homes, neighborhoods and communities. As a state, we have the responsibility to create classrooms of extraordinary learning. Technology should replace worn out textbooks of yesterday to engage youngster's interests ultimately leading to a workforce of unmatched talent. As a state, the Iowa Values Fund has created tremendous economic opportunity by investing in good paying jobs. Of course, security for all Iowans remains the centerpiece of state government. Seniors deserve the dignity of remaining in their homes longer through assistance of the Senior Living Trust. Vulnerable Iowans deserve health care and social service when they have nowhere else to turn.

Despite continued anemic revenue growth, I renewed my pledge to work with majority party legislative leaders to put together a budget that reflected these important Iowa values. The Legislature, at the direction of Republican leaders, chose a different route. During the closing days of the session, they sent my office a massive 337-page omnibus spending bill. In reviewing this legislation, it became clear to me that Legislative leaders chose a path that had the potential to make Iowa less than it must be. I voiced these concerns. Sadly, majority party leaders made it clear that returning to the Capitol to reach compromise was not an option. I must take them at their word.

The Executive Branch of this government will rise up and manage-as best we can-the challenge of providing state services in the absence of adequate resources. So now, the difficult work begins. We will go about this work with a clear sense of duty. We will do this because Iowans expect us to do our jobs. And we will do this because we have a promise to keep. I have not forgotten the promise I made to these very brave Iowans.

[Senate File 2298](#) is approved on this date, with the following exceptions, which I hereby disapprove:

#### Division I

I am unable to approve the item designated as Section 2, subsection 1, second unnumbered paragraph in its entirety. This paragraph requires the Department of Administrative Services to refund \$1,889,610 to the State's general fund at the end of fiscal year 2005. The Department needs these start-up funds for more than a single year to ensure economic viability as it moves to an entrepreneurial business model.

I am unable to approve the item designated as Section 9 in its entirety. This section prohibits the Alcoholic Beverages Division from adding new positions for the purpose of the State assuming the state liquor warehouse functions currently being done by a private contractor. The language also requires the Division to hire a new private contractor to operate the warehouse using a competitive bidding process. This language prevents the State from considering the opportunity to manage its own resources, including the possibility of achieving cost savings and improving customer service. I support using a competitive bidding process but want to have flexibility for the state to participate in that process.

I am unable to approve the item designated as Section 10 in its entirety. This section is contingent upon the enactment of [House File 2521](#), which was not approved by the Legislature. Therefore, this section is unnecessary.

I am unable to approve the item designated as Section 24, subsection 3 in its entirety. This would appropriate \$50,000 to the Department of Revenue for a study of the entire state and local government tax structure and services they support. As noted later in this message, the resources and the time frame are inadequate to accomplish a study of this magnitude.

I am unable to approve the item designated as Section 32 in its entirety. This section provides the enactment clause for Section 9, relating to the state liquor warehouse, which is vetoed. Therefore, this section is unnecessary.

### Division III

I am unable to approve the item designated as Section 49, subsection 3 in its entirety. As I indicated the last two years, the Accountable Government Act establishes a comprehensive, enterprise-wide process for setting program goals and establishing results measures. These measures have been developed with data currently being compiled. This section would create redundancies in the development and reporting of goals and results measurements for the Department of Economic Development.

I am unable to approve the item designated as a portion of Section 58, subsection 2. This would require that small business development centers be located equally throughout the different regions of the state. This bill contains no instruction as to the legislative meaning or intent of "located equally throughout the different regions of the state." As such, the bill is terminally vague making compliance impossible.

I am unable to approve the items designated as Section 58, subsection 3, paragraph b; Section 59, subsection 2, paragraph b; and Section 60, subsection 2, paragraph b in their entirety. These sections would require any business or individual receiving benefits from specified Regent programs to have a commercially viable service or product. This legislative mandate would have an unacceptable stifling effect on innovation. Iowa should be encouraging entrepreneurship. These sections would have the opposite impact.

I am unable to approve the item designated as Section 67 in its entirety. This section implies that Iowa's community colleges would give funding priority to the training and retraining needs of the information technology sector of Iowa's economy. While the information technology sector represents a very important component of the Iowa economy, it is just one of three sectors targeted by the Iowa Values Fund. Singling out one sector for possible preference could create conflicting expectations both between the information technology businesses and the community colleges and between other targeted industry sectors. Under the Iowa Values Fund legislation the community colleges and the Iowa Department of Economic Development are charged with administering training funds and the Iowa Values Fund Board is responsible for business incentive funding. The addition of a perceived funding preference for one industry sector diminishes the authority vested in these entities by the Iowa Values Fund legislation.

I am unable to approve the item designated as Section 71 in its entirety. Expenditure information for executive branch agencies of state government is currently available to the economic development appropriations subcommittees and the

Legislative Services Agency on a daily basis through the Iowa financial and Accounting System. The Legislative Services Agency also has the authority to request expenditure information from Regent universities. The reporting requirement in this section would duplicate existing data and place an unnecessary and unprecedented requirement on limited staff resources.

#### Division IV

I am unable to approve the item designated as Section 82, subsection 1 in its entirety. This section requires the Department of Education, the Board of Regents, and other accredited postsecondary institutions to study the feasibility of offering a teacher intern program that would be available statewide. This study is unnecessary, as the State Board of Education has already provided authority through administrative rules for the development and implementation of this type of program.

I am unable to approve the item designated as Section 86, subsection 1a, first unnumbered paragraph in its entirety. This sentence specifies that the Board of Regents, the Department of Management, and the Legislative Services Agency shall cooperate to determine the amount to be appropriated for tuition replacement. This language is outdated and unnecessary as the Board of Regents now relies on a financial advisor to calculate figures for tuition replacement.

I am unable to approve the item designated as Section 86, subsection 2a, second unnumbered paragraph in its entirety. This paragraph restricts spending on the School of Public Health and the Public Health Initiative at the University of Iowa. As we face a growing need for workers trained in these health professions and for the services provided by this program, it is appropriate to allow reallocations of funds to the School of Public Health from other areas, rather than single this out as the one area at the University of Iowa to have its budget capped at its previous level.

I am unable to approve the item designated as Section 86, subsection 2b, paragraph (4) in its entirety. This language changes a long-standing agreement on the definition of "medically necessary" as applied to conditions for the termination of pregnancy under the Indigent Patient Care Program at the University of Iowa Hospitals. While the prior language may not have satisfied anyone completely, the terminology was based on a process of mutual discussion and agreement that struck a careful balance among people with deeply held convictions. Because this subsection alters that language and disrupts the balance that was previously agreed to without going through a similar process of mutual discussion and agreement, this paragraph is unacceptable.

I am unable to approve the item designated as a portion of Section 86, subsection 3a, second unnumbered paragraph in its entirety. This paragraph restricts spending on the Center for Excellence in Fundamental Plant Sciences at Iowa State University and does not permit this program to receive either its share of dollars for salary increases or internal reallocations of funds from other university programs. If we are committed to making Iowa a leader in plant sciences technologies, then it is unreasonable to single this out as the one center at Iowa State University to have its budget capped at its previous level.

I am unable to approve the item designated as a portion of Section 86, subsection 4a, second unnumbered paragraph in its entirety. This paragraph restricts spending

on the Masters in Social Work Program, the roadside vegetation project, and the Iowa Office for Staff Development at the University of Northern Iowa. There is no reason to single these three areas out to be treated differently from all the other programs and activities at the University of Northern Iowa.

I am unable to approve the item designated as Section 96 in its entirety. This section delays by one year, until July 1, 2006, implementation of an evaluator training certification renewal program. We must continue to support the teacher quality initiative started a few years ago. In addition to increasing minimum teacher salaries and providing mentors, this initiative includes training programs for administrators who must evaluate teacher performance. Private foundation funds may be available to develop this training. The evaluator training certification renewal program also aids the Department's efforts to meet federal No Child Left Behind highly qualified teacher expectations.

#### Division V

I am unable to approve the item designated as a portion of Section 102, subsection 1, paragraph c. This sentence would require the Department of Public Health to produce a report of all organizations that applied for substance abuse treatment funds, the amounts awarded, and the basis for refusal to award funds to any of the organizations that applied. In accordance with the Accountable Government Act, all substance abuse treatment and prevention grants are awarded on a competitive basis. The Healthy Iowans Tobacco Trust bill already requires the Department to report on the success rates of substance abuse treatment programs. This item is duplicative and an unfunded mandate that takes time away from customers and communities for unnecessary reporting.

I am unable to approve the item designated as a portion of Section 106. This sentence directs the Department of Public Health to submit a report regarding a collaborative effort with the Department of Human Services to identify funding to leverage federal funds. The service to Iowans would be enhanced if Department staff spent time identifying additional ways for the State to obtain all available federal matching funds and applying for other federal and private grants rather than drafting an unnecessary report.

I am unable to approve the item designated as Section 107 in its entirety. This section, relating to employment of a division administrator in the Department of Public Health for tobacco prevention efforts, is a duplication of language, although not identical, in [House File 2577](#). Therefore, this section is unnecessary.

I am unable to approve the item designated as Section 111 in its entirety. This section provides additional language for an Iowa Marriage Initiative Grant Fund, and the language directs the Department of Human Services to initiate grants by specifying deadlines for issuing grants and reporting requirements where no funds are available for this purpose. The prior year funding referred to in the bill has been spent, and the Legislature did not appropriate additional funding for this purpose. Therefore, this section is unnecessary.

I am unable to approve the item designated as a portion of Section 114. This sentence directs the Department of Public Health and Human Services to submit a report regarding utilization of the food stamp program. Requiring a report will utilize

additional resources that could be used for administering the program. This is an unnecessary reporting requirement at a time when funding for staff has been reduced.

I am unable to approve the item designated as Section 116, subsection 1 in its entirety. This language changes a long-standing agreement on the definition of "medically necessary" as applied to conditions for the termination of pregnancy under the Medical Assistance Program. While the prior language may not have satisfied anyone completely, the terminology was based on a process of mutual discussion and agreement that struck a careful balance among people with deeply held convictions. Because this subsection alters that language and disrupts the balance that was previously agreed to without going through a similar process of mutual discussion and agreement, this paragraph is unacceptable. Federal regulations outline the conditions for the termination of pregnancy that qualify under the Medical Assistance Program and shall provide guidance to the Department in administering this program.

I am unable to approve the item designated as Section 124, subsection 1, first unnumbered paragraph in its entirety. This language directs the Department of Human Services to convene a group to review the Iowa Juvenile Home. Many previous studies have made recommendations and generally require additional funds to implement. I have, in fact, recommended funding to implement recommendations of previous studies that the Legislature has chosen not to fund. It seems pointless to conduct another study when the issue is funding.

I am unable to approve the item designated as Section 125, subsection 17 in its entirety. This paragraph directs the Department of Human Services to develop a plan to privatize the administration of foster care and adoption programs. Given the fact that no additional funds were provided for this purpose and the child welfare redesign effort is already underway, implementation of this section is counter-productive.

I am unable to approve the item designated as a portion of Section 135, subsection 2. This sentence requires the Department of Human Services to submit proposed legislation to correct Code references related to service areas. This effort has already been completed with the enactment of [House File 2390](#) – technical changes to programs under the purview of the Department of Human Services. Therefore, this sentence is unnecessary.

I am unable to approve the item designated as Section 142 in its entirety. This section would require unspent funds remaining in the Medical Assistance Program account to carry forward into the next fiscal year. This language does not provide the Executive Branch the flexibility necessary to deal with the fiscal year 2004 budget that is needed. Additionally, it provides the use of one-time funding for on-going purposes.

I am unable to approve the item designated as Section 147 in its entirety. This section creates a new network of faith-based and community-based organizations by taking nine staff away from their current work of providing child abuse assessments or managing services to families where abuse, neglect, or behavioral problems are present. If the Legislature is serious about this effort, then additional funds should be appropriated and the program should provide for the coordination of all groups in Iowa providing community services that aid families.

I am unable to approve the item designated as Section 150 in its entirety. This section establishes a new Medical Assistance Mental Health Quality of Care

Improvement Committee. The committee is directed to advise the Department of Human Services on the required implementation of clinical treatment algorithms for schizophrenia, major depressive disorder and bipolar disorder, and a mental health polypharmacy review process. The Legislature is sending mixed and contrary messages on drug utilization. Legislation already enacted contains costs through preferred drug lists, prior authorization, and state maximum allowable costs for generic drugs. This proposal seems to countermand those efforts with an alternate methodology. Additionally, the State is recognized nationally for its mental health/substance abuse treatment contract. This proposal would put the current waiver and contract at risk and that is unacceptable.

I approve Section 151, which establishes a Medical Assistance Crisis Intervention Team and directs the team to analyze the Medical Assistance Program and provide recommendations to reduce costs or provide revenue enhancements for the program. With the current federal government stance on eliminating intergovernmental transfers in the Medical Assistance Program, I am directing this team to examine options with and without the continuance of intergovernmental transfers as they conduct their work.

I am unable to approve the item designated as Section 162, subsection 3 in its entirety. This section provides the enactment clause for Section 142, subsection 3 in its entirety. This section provides the enactment clause for Section 142, relating to non-reversion and prohibited transfer of appropriations to the Medical Assistance Program, which is vetoed. Therefore, this section is unnecessary.

#### Division VI

I am unable to approve the item designated as Section 166 in its entirety. This section appropriates funds to the Insurance Division of the Department of Commerce to administer a long-term care insurance partnership program. This appropriation is linked to [Senate File 2183](#) that makes changes to long-term care insurance provisions and providing asset and income disregards for Medicaid. While I am supportive of people incorporating long-term care insurance into their financial plans and future health needs, [Senate File 2183](#), as drafted, expands the proposed benefit beyond those individuals accessing long-term care insurance. This language needs further legislative review, and I am directing the Department of Human Services and Insurance Division to work with the Legislature to achieve an appropriate solution.

#### Division IX

I am unable to approve the item designated as a portion of Section 186, subsection 2. This sentence grants immunity from civil or employer liability for a government entity or nonprofit agency using inmate labor. While I support the use of inmate labor for nonprofit and governmental entities, this language provides blanket immunity even in extreme cases. For example, if an inmate were to harm or even take the life of a person while working, regardless of whether it was accidental or intentional and regardless of negligence on the part of the employer, this provision would provide no mechanism for the victim's family to claim compensation for damages inflicted on the victim's spouse, children, or other family members. With the use of inmate labor comes the responsibility to exercise great care to protect the safety of the public, those who employ prison labor, and the inmates themselves.

I am unable to approve the item designated as a portion of Section 192, subsection 5, third unnumbered paragraph in its entirety. This language redirects funds credited to the motor pool depreciation fund, a portion of which is federal funds, to the Department of Public Safety vehicle replacement. While a laudable goal, the impact is that other State employees will face consequences including unreliable vehicles for activities such as investigating child abuse complaints, transporting residents of resource centers to their work, transporting juveniles residing at the Iowa Juvenile Home or Training Center to health care appointments, or the myriad of inspections such as food inspections, medical complaints and others that keep Iowans safe. Merely shifting the funds around does not preclude the needed resources for all programs.

I am unable to approve the item designated as Section 198 in its entirety. This section has the potential to provide private drives through many state-owned recreational properties. Parceling off or dividing sections of recreational land from the public trust undermines the role and responsibilities as stewards of public land. Many state recreational lands have restrictions placed on them as a result of utilizing federal funds for management, development or acquisition. Relinquishing control of this land requires federal coordination and precious state resources to replace it. State recreational areas are for public use and the benefit of everyone. They have never been intended and never should be considered for permanent private use by individuals.

I am unable to approve the item designated as Section 201 in its entirety. This section changes the income level guidelines from "at or below 125 percent" to "at or below 100 percent" of the U.S. poverty level for a person who is entitled to an attorney appointed by the court. Everyone is afforded the constitutional right to counsel, and we should not be attempting to restrict this right by lowering income guidelines. Instead, the Legislature should focus its attention on providing adequate funding for indigent defense and the State Public Defenders Office.

#### Division X

I am unable to approve the item designated as Section 217 in its entirety. This section requires state departments return to the general fund at the end of the fiscal year any part of an appropriation associated with a full-time position that is vacant during the fiscal year. This gives departments very few options other than cutting services to balance their operations budgets. For example, once an employee leaves, departments make a lump-sum payout for the value of the employee's unused vacation. In practice, departments generally hold positions open for the amount of time necessary to make those payouts. Under this language, that practice would trigger a reversion of the amount to the general fund at the end of the year. In essence, the department must pay twice. The language also limits the ability of departments to utilize the Early Out program or other employee attrition to cover budget reductions. Given that department budgets have been reduced on numerous occasions over the past three years, this section is unworkable and unwise micromanagement of Executive Branch operations.

I am unable to approve the item designated as Section 225 in its entirety. The Iowa Supreme Court, in Meyer v. Employment Appeal Board 441 N.W.2d 766 and Area Education Agency 7 v. Bauch, 646N.W.2d 398, has determined that deferred wages are actually payable when earned. The court has held that once the school year ends, a school district employee is no longer drawing 'a wage,' but rather collecting 'past

earnings due.' Gross earnings should be calculated by using the amount earned rather than the amount actually paid. Section 225 significantly diminishes established property rights that accrue to a school district employee by redrafting a statutory provision clearly interpreted by the Court. Workers' compensation weekly benefits are intended to replace earnings that are lost while the employee is disabled and is based upon the rate at which the employee earns. Earning capacity is best reflected by what an employer is willing to pay an employee in return for services performed. Since the Court has already determined that the proper rate at which the employee earns should be based on the time during which services are provided and because Section 225 would unfairly alter the property rights that accrue to school district employees, I am unable to approve this section.

I am unable to approve the items designated as Sections 229, 239 and 240 in their entirety. These three sections require the Department of Education, local school boards and Area Education Agencies to submit data annually on the salaries and benefits of administrators and increases for employees' salaries and group health insurance plans. The reporting required in these sections duplicates information already collected by the Department and the level of detail specified is not necessary to support policy development and decision-making.

I am unable to approve the item designated as Section 230 in its entirety. This section requires the Department of Education to report in detail on class size/early intervention expenditures. The Department already provides a lengthy report on this topic. The additional data collection and reporting required in this section is unnecessary.

I am unable to approve the item designated as Section 241 in its entirety. This section requires local school boards to examine expenditures and identify potential cost savings. I believe every school board in the state understands its responsibilities to the citizens of Iowa to be sound stewards of tax dollars. With the limited state aid funding provided to school districts in recent years, school boards already study these items and look for opportunities to reduce operating expenditures. The directive in this legislation goes far beyond what is necessary for prudent management of school districts and incorporates reporting requirements that will create an onerous burden on already strapped administrators.

I am unable to approve the items designated as Section 242, subsections 2 through 4, and the items designated as Sections 243 through 246 in their entirety. These sections create an Iowa Learning Technology Initiative. While I am supportive of providing technology training and learning opportunities for Iowa's children, there is no state funding available for this initiative. If private funds are raised, I am committed to directing the Department of Education to work with the donors to advance the plan. In the meantime, the Department will coordinate a committee effort to study teacher and student technology needs across the educational system so that Iowa-specific information is available on this subject.

I am unable to approve the item designated as Section 261 in its entirety. The proposed exemption under this section sets a precedent contrary to Iowa's waste management hierarchy, by reducing the cost of disposal for one specific waste stream. Shredder fluff has no inherent characteristics that would lead to its exemption from tonnage fees.

I am unable to approve the item designated as Section 263 in its entirety. This section is contingent upon the enactment of [House File 2440](#), which was vetoed. Therefore, this section is unnecessary.

I am unable to approve the item designated as Section 276 in its entirety. This section requires the Board of Regents to develop and implement a policy for "addressing the budget ramifications associated with unfilled vacant positions." Regent institutions are not provided appropriations based on specific positions and full-time equivalent caps, so this policy would serve no useful purpose. Regent institutions require the flexibility to, among other things, use positions to meet student demand and to address patient volumes at the University of Iowa Hospital and Clinics. This is further micromanaging that will serve no useful purpose and drain resources from more productive responsibilities.

I am unable to approve the item designated as Section 278 in its entirety. This section provides for a refund to an individual that exhausted the administrative appeals process and is not entitled to a refund from the State. Judgments on issues such as this should be made based on the facts of the circumstances and the process established by law; not on political connections with individual legislators.

I am unable to approve the item designated as Section 285 in its entirety. This section eliminates the 30-day deadline for enacting the School Foundation Aid allowable growth percentage and the requirement that the allowable growth rate be the only subject matter of the bill for the 2004 legislative session. The Legislature included this language because they failed to comply with Iowa law by failing to set the growth rate for Iowa's school districts until months after the deadline. This delay is unacceptable and hinders the ability of Iowa's school districts to plan for future years. It is difficult to expect our school children to respect and follow the law when lawmakers are unwilling or unable to do the same.

I am unable to approve the item designated as Section 287, subsection 4 in its entirety. This section provides the enactment clause for Section 278, relating to refund for commercial vehicle registration fees, which is vetoed. Therefore, this section is unnecessary.

#### Division XI

I am unable to approve the item designated as Section 288, subsection 1g in its entirety. This subsection appropriates \$1,770,000 from the Rebuild Iowa Infrastructure Fund for capitol interior restoration. The Legislature's approval of funding for this project at the expense of fully funding the Secure an Advanced Vision for Education Fund in Section 299 validates that they are more interested in spending money to remodel their chambers and offices than they are in meeting their obligation to provide funds for critical repairs and improvements to local schools. In taking this action, I am putting schools first.

I am unable to approve the item designated as Section 288, subsection 8 in its entirety. This subsection provides \$250,000 to construct a new residential treatment facility for youth. I am unable to support providing funds for this type of special interest pork barrel project. This is not a prudent expenditure of taxpayer dollars for the construction of a new facility when existing facilities are closing because the Legislature failed to provide sufficient child welfare funds for the beds that currently exist.

I am unable to approve the item designated as Section 299 in its entirety. This section caps the amount of Rebuild Iowa Infrastructure Fund moneys appropriated to the Secure an Advanced Vision for Education Fund in fiscal year 2005 at \$8,160,000 instead of the \$10 million in current law. The actions being taken in this bill to eliminate less important projects will allow Iowa schools to receive the full \$10 million for local school infrastructure projects. Iowa voters in 88 counties have approved the local option sales tax for school infrastructure improvements, and they are counting on the State to provide the necessary matching money to fully fund these critical projects. In taking this action, I am keeping my commitment to fund school infrastructure even if the Legislature failed to do so.

#### Division XII

I approve the item designated as Section 301, subsection 1c, second unnumbered paragraph. However, I am concerned that this section specifies a single organization to conduct these efforts, given the complaints expressed to the Executive Branch by the Legislature's Oversight Committee regarding sole source contracting. I caution the Legislature that this form of sole source contracting does not follow good business practices. Competitive bidding for state contracts ensures accountability and efficient use of public resources. I encourage the Department of Agriculture and Land Stewardship to conduct a detailed review of the expenditure of these funds to ensure proper accountability.

#### Division XIII

I am unable to approve the item designated as Section 304, subsection 1b, first unnumbered paragraph in its entirety. This language requires the Department of Administrative Services to consult with legislative leadership prior to planning or implementing any capitol interior restoration project or other activity. This language represents the Legislature's attempt to micromanage a function of the Executive Branch. This paragraph contains language that is unnecessary and prescribes burdensome requirements on the Department which can, at times, be very difficult to fulfill.

#### Division XIV

I am unable to approve the item designated as Section 311, second unnumbered paragraph in its entirety. The federal Help America Vote Act (HAVA) legislation requires the chief state election official to distribute HAVA funds to Iowa's 99 counties. It is unnecessary and burdensome to place specific restrictions on the Secretary of State's office in implementing HAVA requirements. Additional State legislation mandates only create another level of bureaucratic red tape and are detrimental to the effective, statewide implementation of HAVA.

I am unable to approve the item designated as Section 315 in its entirety. This section requires the Iowa Finance Authority Board to declare a surplus from bond proceed reserves and transfer this surplus to the State Housing Trust Fund. Such a legislative mandate has a very negative impact on the Authority's bond ratings. National credit rating agencies such as Moody's and Standard and Poor's have suggested such mandates could result in downgrades or negative watches on future Authority bond offerings. Lower bond ratings would drive up interest rates and increase the cost of loans made to first time homebuyers and other bonding programs

operated by the Authority. The Iowa Finance Authority is committed to finding additional resources for the State Housing Trust Fund that will not negatively impact their bond rating.

#### Division XV

I am unable to approve the item designated as Section 319 in its entirety. This section amends Code Section 80.9, subsection 2, paragraph f, by placing sole responsibility for Executive Branch Capitol Complex security in the Department of Public Safety. The State would be better served by a cooperative, joint security effort between the Departments of Public Safety and Administrative Services and the Homeland Security/Emergency Management Division. Proper competitive procedures can be followed as well as the proper placement of functions and staff.

#### Division XVI

I am unable to approve the items designated as Section 322, subsection 4, paragraphs b, c, and d in their entirety. These paragraphs appropriate money from the Rebuild Iowa Infrastructure Fund account to the new Vertical Infrastructure Fund. I have maintained the allocation of \$15 million in fiscal year 2006 to this fund. Beyond that, the designated paragraphs appropriate \$50 million in fiscal year 2007, \$75 million in fiscal year 2008, and \$100 million in fiscal year 2009 and thereafter. This session, the legislature approved and I signed into law [House File 2302](#), a bill making comprehensive changes to Iowa's gaming laws. The gaming law changes approved will provide the State with additional resources from gambling activities; however, the additional amount that will be generated by these changes is difficult to project absent more information about expanding facilities and products. It is not prudent to put into law, at this time, significant future allocations from the Rebuild Iowa Infrastructure Fund given the absence of revenue to meet those expenditures. I am willing to revisit this issue when more accurate information on projected gaming receipts is available.

I am unable to approve the item designated as Section 335 in its entirety. This section pertains to county agreements with the Iowa Department of Transportation related to disposition of county property. There is a question of precision in defining the application of this section.

I am unable to approve the item designated as Section 336 in its entirety. This section is contingent upon the enactment of [Senate File 2295](#), which was vetoed. Therefore, this section is unnecessary.

I am unable to approve the item designated as Section 344 in its entirety. This section requires Cherokee Mental Health Institute to leave space vacant if vacated by current tenants. This directive hampers the institution's ability to gain revenues from leasing available space or utilizing space in the most efficient way. This section further requires the department to develop a plan to address treatment needs of persons with a developmental disability who exhibit sexually violent behavior; however, no funding is provided for developing such a plan.

#### Division XVII

I am unable to approve the item designated as Section 354 in its entirety. This section is contingent upon the enactment of [House File 2434](#), which was not approved by the Legislature. Therefore, this section is unnecessary.

Division XIX

I am unable to approve the item designated as Section 403 in its entirety. This section establishes a Regulatory Efficiency Commission. Creating such a commission is duplicative of efforts already underway to comprehensively review regulatory rules as well as regulatory processes of state government and implement business process improvement techniques to enhance efficiency and improve service. This is a collaborative effort including a number of state departments, private industry representatives, and the Iowa Business Council. Iowa companies have already reaped the benefits of this process through a reduction in the time it takes to process an air quality permit. Similar efforts are underway with wastewater permits and a variety of other regulatory processes throughout state government. Appointing a new commission will slow this progress down and divert efforts away from actually improving Iowa's regulatory assistance and creating a more streamlined government.

Division XX

I approve the items designated as Section 404 through 418 in their entirety, even though the Legislature made a mistake in the drafting of this language resulting in no incentive for wind energy production. I am willing to work with the Legislature next year to ensure that wind energy grows, but not at the risk of other priorities of Iowans. We must ensure that local governments and schools are not hurt by unintended consequences. Therefore, I ask legislative leaders to work with me over the interim to strike the appropriate balance of providing economic incentives for wind energy without devastating other priorities at the state and local level.

I am unable to approve the items designated as Sections 440 and 441 in their entirety. These sections establish and repeal a new state tax implementation committee. Two years ago, I recommended that the Department of Revenue conduct a two-year tax fairness study and provided \$400,000 for staff and support. In contrast, the Legislature continually fails to devote sufficient time or resources to make this study workable. Under the framework devised, in less than a year's time, the Committee and the Departments of Revenue and Management are charged with reviewing and analyzing all revenue sources available to the State; all current exemptions, credits and exclusions; all revenue sources available to local governments; all services provided by local government; the role of property taxes in funding local government, including examining the state school aid formula; alternative systems of property taxation, protesting property assessments; and methods of controlling property tax revenues and expenditures. To accomplish all this, the Legislature appropriated a meager \$50,000.

In the past, the Legislature has devoted as much as two years to tax studies that were not nearly as board as this one. Last year, the Legislature assembled a similar group charged with making recommendations for changes to the property tax system alone; and after a year of study and meeting, the group has yet to make substantive recommendations for reform. Iowa's tax structure must be reviewed and reformed. Our property tax system is outdated and unfair. Until the Legislature gets serious about tax reform, these insufficient attempts to study the issue are a waste of limited time and resources.

For the above reasons, I respectfully disapprove of the designated items in accordance with Article III, Section 16 of the Constitution of the State of Iowa. All other items in [Senate File 2298](#) are hereby approved as of this date.

Sincerely,  
Thomas J. Vilsack  
Governor